

'Star Wars' expert denies charges

WASHINGTON (R) — America's chief "Star Wars" scientist Friday denied charges by Soviet President Konstantin Chernenko that the United States might use a space-based defence system to back up a nuclear strike against the Soviet Union. "I not only deny it, I resent it," physicist Gerold Yonah said in a rare and wide-ranging interview with Reuters on President Reagan's proposed anti-missile system, known as the Strategic Defence Initiative (SDI). "If they (Soviet leaders) really believe that, then clearly we need to talk to each other a lot more so they understand that no American president is going to launch a first strike against the Soviet Union," Mr. Yonah said. He was asked about Mr. Chernenko's statement Thursday that U.S. deployment of space-based defensive weapons such as lasers would be designed to shield the United States against retaliation after a first strike (See page 8).

Jordan Times

An independent Arab political daily published by the Jordan Press Foundation
جورديان تايمز يونيتي فاؤنڊيشن عن المؤسسة الصحفية الاردنية والراي

University of Jordan
Center of Strategic Studies
REAP

Volume 10 Number 2784

AMMAN, SATURDAY FEBRUARY 2, 1985, JUMADA ALOOLA 11, 1405

Price: Jordan 100 fils; Syria 1 pound; Lebanon 1 pound; Saudi Arabia 1.50 riyals; UAE 1.50 dirhams; Great Britain 25 pence

SLO team meets ministry officials

AMMAN (J.T.) — An International Labour Organisation (ILO) delegation Thursday met officials at the ministries of labour, and social development and discussed employment conditions in the Israeli-occupied West Bank and Gaza Strip. The delegation briefed the officials on the conditions of Arab workers and employers in the occupied Arab territories and on "arbitrary measures" practised against them by the Israeli occupation authorities. Under-Secretary of the Ministry of Labour and Social Development Dr. Saleh Khasawneh explained to the delegation the aims the Israeli authorities are trying to achieve by implementing these measures represented in evicting Arabs from their lands, the Jordanian News Agency, Petra, said.

Microwave link becomes operational

AMMAN (J.T.) — The Amman-Baghdad microwave link will be inaugurated Saturday by Minister of Communication Mohamad Adoub Al Zaben. The project will help Jordan and Iraq to exchange television programmes and provide 120 telephone and telex channels expandable to 990 in the project's second phase.

Vienna coalition wins confidence vote

VIENNA (R) — Austria's ruling coalition government won a confidence vote in parliament against Defence Minister Friedrich Frischenschlager, which has the effect of ending the government. A parliamentary spokesman said the motion was defeated by 98 votes to 80.

Assifa claims West Bank attack

AMMAN (J.T.) — A Palestinian militant group has claimed it ambushed an Israeli bus in the occupied West Bank Wednesday night, killing or wounding 21 passengers. A military spokesman for Al Assifa, a dissident wing of the mainstream Palestinian group Fatah, said its members ambushed a military bus in Bethlehem area of the West Bank.

Heath meets W. Bank leaders

OCCUPIED JERUSALEM (R) — Former British Prime Minister Edward Heath, in Israel to conduct the Jerusalem symphony orchestra, Thursday met Palestinian leaders from the Israeli-occupied West Bank and Gaza. A British consulate spokesman said Mr. Heath met six Palestinians, including Mustafa Natshe and Shad Shawa, who were mayors of Hebron and Gaza respectively, before being deported by the Israeli occupation authorities.

Reagan plans \$974 billion budget

WASHINGTON (AP) — President Ronald Reagan will send Congress a \$973.7-billion budget for the next fiscal year, administration officials said Friday.

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OIC announces fresh bid for peace Iranian counter-attack foiled, Baghdad says

BAHRAIN (Agencies) — Iraq said its armed forces smashed an Iranian counter-offensive in the central sector of the battlefield Friday where Baghdad reported its troops earlier had punched holes in Tehran's positions.

Meanwhile, the head of the 45-nation Organisation of Islamic Conference (OIC) announced a new mediation effort was under way to end the 32-month-old Gulf war.

Large-scale skirmishing was started last Monday by Iraq, which said some 40,000 troops had seized strategic positions from Iran in the central sector of the 1,180-kilometre warfront.

A similar Iraqi offensive was reported by the Iraqi high command last Thursday, and according to a Baghdad military spokesman, key positions were captured from the Iranians.

Arab military analysts and diplomats in Baghdad and Bahrain theorised the Iraqis want to strengthen their positions in the central sector of the warfront in order to breach the northwestern Iranian flank near Basra.

Iraq has massed an estimated 300,000 regulars and volunteers east of the southern Iraqi Basra region, in preparation for a much-louder but long delayed "grand offensive" against Iraq.

"It appears the Iraqis have managed to entrench troops in positions seized from the Iraqis, thus exposing an Iranian flank to their ground fire and rendering

said one Arab military analyst in Baghdad, who was quoted by the Associated Press. He refused to

The two Iraqi offensives, he

said, apparently have upset the Iraqis who launched their dawn counter-offensives in a bid to evict the Iraqis.

The Iraqis remained tight-lipped on the dawn counter-offensive, which was reported only by the Iraqi high command.

The Iraqis have not given specific locations for the skirmishes. But the Baghdad spokesman said the purported Iranian counter-attack took place in the same region where the Iraqis mounted their Thursday onslaught.

While escalating their war operations, the Iraqis reiterated their readiness for peace through the Islamic mediators. But Iran has maintained its adamant refusal to end the conflict unless the Iraqi government was toppled.

In Dhaka, Bangladesh, OIC Secretary-General Sharifuddin Pirzadeh of Pakistan was quoted by the Saudi Press Agency as disclosing a new peace initiative would be undertaken by the OIC's peace committee.

The committee groups Gambia, Turkey, Guinea, Bangladesh, Senegal, Malaysia and Pakistan. Palestine Liberation Organisation Chairman Yasser Arafat also is a member of the mediation committee.

No details of the mediation bid of the Jeddah-based OIC said the committee would press for a cease-fire in place, a hint to

ping and roundtable negotiations

to redefine border demarcation and navigation rights for the belligerents in the Shatt Al Arab estuary.

The non-aligned nations group and Saudi Arabian Crown Prince Abdullah also were reported to be active in trying to bring the warring sides to a negotiating table.

His Majesty King Hussein visited Baghdad Wednesday and was briefed by Iraqi President Saddam Hussein on the latest developments in the battlefield. The Jordanian News Agency, Petra, said that the two leaders talks also covered current Arab affairs and bilateral relations.

President Hussein briefed the King on the Iraqi offensives against Iranian positions and the successes the Iraqis achieved in their operations, Petra said. King Hussein praised the Iraqi armed forces for their efforts to defend the Arab Nation against the Iranian threat and challenge, the news agency added.

Prime Minister Ahmad Obaidat, Court Minister Adnan Abu Odeh and Armed Forces Commander-in-Chief General Sharif Zaid Ibn Shaker, who accompanied the King in the visit, attended the talks in Baghdad which were also attended by the Jordanian ambassador to Iraq.

Iraqi Deputy Prime Minister Taha Yassin Ramadan, Foreign Minister Tariq Aziz and President Hussein's office Secretary-General Ahmad Hussein also attended the talks, Petra said.

On Thursday, Gen. Sharif Zaid and Iraqi Defence Minister Adnan Khairallah reviewed "issues of mutual concern to Jordan and Iraq and the latest developments in the Iran-Iraq battlefield," Petra said.

The King returned to Amman Thursday evening.

Lower House recesses after passing amended travel tax law

By Saleemeh B. Nematt
Jordan Times Staff Reporter

AMMAN — The Lower House of Parliament recessed Thursday after concluding its second regular four-month term with a session during which the House endorsed an amendment to a travel tax law and 10 other provisional and amended laws.

According to the amended travel tax law, all those carrying Jordanian passports would have to pay travel tax fees for each passport regardless the number of family members registered in it.

Under the law, those travelling by land or sea will be paying JD 5 while those travelling by air will pay JD 10. The amended law eased the burden on Jordanians who have many children registered in their passports.

The House's Financial Committee explained in a statement that the law in question was under thorough discussion and debate after which two opinions emerged: First, a rejection of the law for its violation of Article 94 of the Constitution and the second in favour of looking into the law with a recommendation to the cabinet "not to issue provisional law unless in accordance with the Constitution."

The committee called on the government to convene an extraordinary session whenever there was an urgency to issue a law while the House is in recess. Article 94 in the Constitution stipulates that no laws are to be issued by the government during parliament's recess unless they were urgent and could not be postponed.

After a vote, the second opinion was endorsed with the amendment.

For those travelling by land, cars carrying temporary admission plates are exempted from tax.

During the two-hour debate, Deputy Abdul Baqi Gammoh called on the House to exempt Jordanian students and those travelling for medical treatment abroad from paying the travel fees. But, he said, "it is all right to impose a departure tax on those travelling for pleasure and to visit night clubs."

In a speech he delivered, Deputy Ahmad Kofahi said that the government's decision to raise the

travel tax by 500 per cent for those travelling by land and sea and by 333 per cent for air travellers "is not consistent with the principle of gradual increase" usually adopted by the government.

"Thus," he said, "I suggest that the tax be paid on each passport and not each traveller as it is often necessary for some people to accompany their children when travelling."

Deputy Salman Qudah insisted on the necessity to keep the text of the law the same as passed by the Financial Committee because "the government's treasury is in need of as much income as possible to carry out development projects and because the tax imposed is much less than that charged by neighbouring countries."

In another suggestion, Deputy Yussef Athem called on the House to exempt from the tax those living near the borders of neighbouring countries like Aqaba and Ma'an. He explained that those citizens who cross the borders to work, are generating income to the Kingdom that should not be ignored. He said imposing tax on those people could discourage them from crossing the borders.

Justice Minister Ahmad Tarawneh said the law was constitutional in the first place, as the principle of the "dissociation of authorities" during the parliament's recess makes legislation the responsibility of the executive authority.

A suggestion by Mr. Tarawneh to postpone the discussion of the law to another session was rejected by the House.

When House Speaker Atef Al Fayez put Mr. Kofahi's suggestion to vote, it was approved by a majority.

During its 12th and last session in this term, the House approved a law endorsing an agreement for a project for the Anjaba Thermal Power Station and a water and sewage agreement between the International Development Institution and the Water Authority of Jordan.

An agreement signed between the Jordanian and Syrian governments to invest the Yarmouk River waters was also endorsed by the House.

A recommendation by the Fin-

Egyptians burn Israeli flag

CAIRO (AP) — Anti-Israeli demonstrators Friday burned replicas of the Israeli flag on Cairo's exhibition grounds to protest the Jewish state's participation in the 17th international bookfair. It was the third such demonstration since the fair opened on Jan. 22. It was staged despite the closure to the public of the far wings housing pavilions of Israeli and other foreign publishers who do not have resident Egyptian representatives. The demonstrators shouted slogans like "No to the peace treaty (with Israel)," "No to normalisation of relations (with Israel)" and "Get Out, Sasson." Moshe Sasson is Israel's ambassador to Egypt. The demonstrators burned two crudely painted replicas of the Israeli flag. One anti-American slogan was heard: "Out with Zionism and American imperialism." Uniformed and plainclothes police stationed on the grounds did not intervene and there was no violence, witnesses said.

12 killed as bomb explodes at Tripoli mosque

BEIRUT (Agencies) — A bomb-laden car exploded Friday outside a crowded mosque in Tripoli, Lebanon's second largest city, killing 12 worshippers and pedestrians and wounding 60 other civilians.

Police said the automobile, a blue Mercedes, was packed with 60 kilograms of TNT. It blew up at 12:45 p.m. (10:45 GMT) when the Imam Ali Mosque was packed with worshippers for the noon prayers.

The blast knocked down a three-metre high concrete wall around the courtyard of the newly built mosque, punched a two-metre hole in the ground and damaged buildings within a 500-metre radius, according to the police report. Chunks of concrete hit people, and the mosque was partially collapsed, according to state radio.

Residents said the explosion shook the entire city, 80 kilometres north of Beirut. They said bursts of machine gun and rifle fire erupted moments after the blast as militiamen of the Islamic Liberation Movement (Tawheed) encircled the neighbourhood.

They said more than dozen cars parked outside the mosque were set ablaze and firemen struggled for more than an hour until they brought the fires under control.

The mosque was built by the Tawheed militia of Sheikh Saeed Shaaban, a fundamentalist Sunni Muslim preacher known as one of Lebanon's most fiercest hardline Muslim leaders.

Hundreds of people died in Tripoli last year during months of street fighting and shelling as Sheikh Shaaban's forces battled for control against the militia of the pro-Syrian Alawite Arab Democratic Party, known as the Red Knights. Sheikh Shaaban, who calls himself "the Prince of Tawheed," is fiercely anti-American, claiming on more than one occasion he would "level the skyscrapers in America to the ground."

SLA men attacked

Meanwhile in South Lebanon fighting with heavy machine-guns and rocket-propelled grenades erupted in Sidon Friday when about a dozen resistance commandos attacked pro-Israeli militiamen.

Armoured personnel carriers of the pro-Israeli "South Lebanon Army" (SLA) militia raked suspected positions of the commandos with heavy machine-gun fire.

One SLA militiaman fired at the ground in front of a Reuters correspondent's car, ordering him out before running off as shooting intensified.

There was no immediate word of casualties in the 30-minute battle, which came as Israeli troops and their SLA allies prepare to leave the city in the first part of a three-stage withdrawal from South Lebanon.

The battle followed reports that the Israelis and the SLA have stripped down their forces in Sidon in readiness for the pullout and that underground Sunni and Shiite Muslim forces are ready to take over the city.

Fighting erupted at about 3.30 p.m. (1330 GMT). Minutes later, a van drove up to 10 more SLA men leaped out to join the battle. Half-a-dozen parked cars wrecked by the shooting littered the streets.

Three Israeli jeeps rolled through the area towards the nearby port as the fighting subsided, but it was not clear if the Israelis had joined in the fighting.

In another attack during the afternoon, unidentified men shot dead an SLA gunman on a road southeast of Sidon, the sources said.

A rocket hit an Israeli civil administration building near Nabatiyeh Wednesday night but it was not known whether there were any casualties. Lebanese security sources said.

They said the attack took place in the village of Zibdin, two kilometres west of Nabatiyeh.

Syria must change stand towards Gulf war — Arar

KUWAIT (J.T.) — Jordan was willing to improve relations with Syria if it changed its stand towards the Iran-Iraq war, Deputy Prime Minister and Minister of Interior Suleiman Arar was quoted here as saying Thursday. The Kuwaiti daily Al Anbaa quoted the minister as saying that Syria has openly been supporting the Iranian side against Iraq while Jordan continues to support Iraq in the conflict.

The Jordanian stand towards this conflict is the only issue on which Amman and Damascus are

W. German industrialist killed in guerrilla attack

MUNICH (R) — A top West German arms industry executive has died in hospital after being shot at his home near Munich Friday, apparently by guerrillas of the outlawed Red Army Faction (RAF), police said.

Ernst Zimmermann, 55, was shot once in the head by a man with a sub-machine gun who forced his way into the industrialist's suburban home after his wife opened the back door to a woman claiming to have a letter for hand delivery.

Paris recalls ambassador from India

NEW DELHI (AP) — French Ambassador Serge Boidevaux was recalled home amid allegations that France was involved in India's biggest spy scandal since independence, the Indian government announced Friday.

The withdrawal of Mr. Boidevaux followed the recall Jan. 20 of the French embassy's deputy military attaché, Colonel Alain Bolley, who was accused in news reports of buying classified Indian defence documents.

Salman Haidar, spokesman of India's External Affairs Ministry, said the French government informed India of the recall in a meeting Wednesday in Paris between French Foreign Minister Roland Dumas and Indian Ambassador Narendra Singh.

The spokesman declined to say if the recall was made at India's request or if the French envoy was

Weizman sets condition to meet Arafat

TEL AVIV (R) — The Israeli cabinet minister responsible for relations with the Arab World said in an interview published Friday that he would be willing to meet Yasser Arafat if the Palestine Liberation Organisation (PLO) Chairman recognised Israel.

The Ha'aretz newspaper quoted the minister, Ezer Weizman, as saying: "I would be willing to meet with Yasser Arafat if he is ready to recognise the state of Israel."

"If Arafat or any other leader of authority says, 'I recognise Israel. I want to talk with it about co-existence', then he will be welcome."

Mr. Weizman, minister without portfolio, is a former defence minister once known for his hawkish political views. He played a key role in negotiating the 1978 Camp David accords with Egypt and struck up a personal rapport with Egypt's late President Anwar Sadat.

Mr. Weizman also has responsibility for Israeli Arabs and has been active in trying to promote closer relations with Egypt. He is known to be close to Prime Minister Shimon Peres.

Mr. Weizman said he would be willing to meet Yasser Arafat if the PLO Chairman recognised Israel.

Relations between India and France, soured by the spy case, have expanded rapidly since President Francois Mitterrand won elections in 1981 and formed his socialist government.

At least three French cabinet ministers visited India last year to promote bilateral trade and economic cooperation. Mr. Mitterrand attended a small-scale non-aligned summit meeting called last year in New York by the late Indian Prime Minister Indira Gandhi.

Negotiation only way for Mideast peace, Shultz tells U.S. Senate

WASHINGTON (Agencies) — Negotiation is the way to end the Middle East turmoil, U.S. Secretary of State George Shultz insisted Thursday in an appearance before the Senate Foreign Relations Committee.

Mr. Shultz was the lead-off witness in a planned six-week examination of American foreign policy. After delivering a 37-page opening statement, the secretary answered questions from the senators on the panel.

Responding to a question on the Middle East, Mr. Shultz said, "the way to get at the problems and tensions in the Middle East is for particularly the Arab states around Israel to sit down with Israel and negotiate out a peaceful arrangement. That's the way to go about it and that's what we've been trying to bring about."

Mr. Shultz rejected a suggestion that a new Arab-Israeli war would require immediate U.S. and Soviet intervention.

"I think if a war broke out today, Israel will give a very good account of itself," the secretary said. "It would create great tension, and obviously we would be discussing it with the Soviet Union, at a minimum for the sake of damage control. But we don't foresee any development that would lead us to want to come together with the Soviet Union for some sort of condominium about the Middle East."

The secretary confirmed that the Reagan administration has deferred for the present a pending request from Saudi Arabia for additional U.S. military assistance. Mr. Shultz noted there are many dimensions to U.S. "security and strategic interests" in the Middle East that are related to Saudi Arabian policies and behaviour. "The capacity that Saudi Arabia has now has served both them and us in good stead recently," the secretary pointed out, referring to the Gulf war between Iran and Iraq. He said he would not promise there would be no new request for arms sales to the Saudis, but acknowledged "we will have to justify them" to the Congress.

Arms sales suspended

The Reagan administration announced Thursday that it was halting new arms sales to the Middle East for several months while it prepared a "comprehensive review" of the connection between American "security assistance" and peace and stability in the region.

It was the first time in the memory of senior State Department officials that there had been a deliberate decision to suspend new arms sales to all Middle Eastern nations since the United States became a major supplier in the 1960s.

The officials said the decision to delay new arms sales had been made primarily to avoid an early clash with some members of Congress over a contemplated large-scale sale of F-15 aircraft and other equipment to Saudi Arabia.

Supporters of Israel in Congress have expressed concern that arms sold to Saudi Arabia and other Arab countries could be used against the Israelis in a future Middle East war. The Reagan administration has supported arms sales to Saudi Arabia to help protect it against Iran.

The delay is also aimed at allaying tension over resolving sharp disagreements within the administration over policy for arms sales to Arab countries such as Jordan, Oman and Kuwait, the officials said.

A third consideration, some officials said, is to reduce pressures

on Israel, which is facing an economic crisis, to have to counter new sales to Arab countries by buying more expensive equipment for itself.

Richard W. Murphy, assistant secretary of state for Near Eastern and South Asian affairs, divulged the policy move in an appearance Thursday morning before the House of Representatives Foreign Affairs subcommittee on Europe and the Middle East (See page 2).

In a press briefing, White House spokesman Larry Speakes said the administration's review of Middle East arms sale policy will take four to six weeks, and will be a new submission to Congress of proposals for arms transactions. He said it would be determined in the review how long the block on submissions to Congress would last.

He said the administration is approaching the review in a comprehensive manner, and is asking Congress not to make any decisions on arms until the review is completed.

He stressed the point that after the review the administration will present to Congress "a comprehensive package" with a "justification and rationale for proposals in the security field. Our overall goal remains the pursuit of peace and stability."

Mr. Speakes said the State and Defence departments and the National Security Council staff had decided this was a good time for such a review because some changes are taking place in the region.

Mr. Speakes said additional reasons are the return of Congress and the upcoming visits to Washington of Saudi Arabia's King Fahd and Egyptian President Mubarak. He insisted there is no direct connection between the review and the Fahd visit, however.

(Continued on page 5)

Abdul Jaber returns from labour talks with Egypt

AMMAN (Petra) — Egyptians intending to work in Jordan will have to undergo medical tests by health authorities in Jordan, according to Minister of Labour and Social Development Tayseer Abdul Jaber.

Dr. Abdul Jaber, who returned to Amman Friday after a visit to Egypt, told the Jordanian News Agency, Petra, that he reached an initial agreement with Egyptian officials on regulating the movement of the workforce between the two countries. The officials discussed including Egyptian workers in Jordan's Social Security Corporation plan in accordance with the labour law, regulating currency transfer and procedures to be followed in implementing the agreement.

Dr. Abdul Jaber said that a general framework of cooperation was also reached in the areas of occupational training, labour, social development, industrial security, exchange of expertise, training of Jordanians in Egyptian

Bashir calls on Agriculture Ministry staff to cut costs, improve efficiency

By Olga Mikhael
Special to the Jordan Times

AMMAN — The Ministry of Agriculture's main task is not restricted only to agricultural production, rather its responsibilities extend far beyond to include planning agricultural production, conducting research to expand markets and offering agricultural education in order to increase farmers awareness about proper farm methods, Minister of Agriculture Mohammed Al-Bashir said Thursday during a meeting held at the University of Jordan.

Addressing over 500 agricultural engineers, veterinarians and administrators from the Ministry of Agriculture, Mr. Bashir outlined the problems facing the ministry and stressed the need to amend the agricultural law and the bylaws of the ministry in accordance with the new requirements and goals of the ministry.

Since the Ministry of Agriculture is facing a deficit in its budget this year, the minister called for a new policy to economise the spending of all sectors and fields of agriculture.

these areas.

The Ministry of Agriculture in Jordan is trying hard to organise all agricultural sectors, to set priorities, to hire qualified engineers and veterinarians, to modernise many of its techniques and to present the proper advice and supervision to the farmers and the private sector, Mr. Bashir said.

"The ministry will reorganise laboratories, encourage veterinarians to open their private clinics under the supervision of the ministry, encourage the private sector use vaccinations and try to solve the problems facing personnel, labourers and administrators at the ministry as well as the problems facing the farmers by presenting the proper technical advice to them," the minister said.

"There are around 314 illiterate people at the ministry who are working as ambulants and whose health conditions do not help them to work efficiently. Therefore, these people will be replaced with young people who can read and write," he added.

more responsible and to help as much as they can in implementing their tasks, according to the new policy of the ministry, in order to avoid any unnecessary spending and to be efficient in their fields, to set priorities in accordance with the available requirements and potentials of the ministry.

"We have around 70 unlicensed poultry farmers which were established and started operation without the Ministry of Agriculture's knowledge," the minister said. "What we need is the efficiency at work and cooperation between the various sectors and directorate at the ministry," he added.

The minister went on to explain the problems facing the sheep industry in Jordan because of the low amount of rainfall this year. As a result the ministry took the same procedure taken last year where exportation of sheep was allowed under all conditions," he added.

Also speaking at the meeting was Dr. Salem Al Lawzi, under secretary of the Ministry of Agriculture, who praised this huge gathering at the ministry, the first of its kind. Dr. Al Lawzi highlighted the importance of the agricultural sector and the continuous support this sector is getting from the government. "The government has donated JD 7 million to the Ministry of Agriculture which is the concerned sector for supporting the agricultural production," he said.

Wheat, apples

Dr. Al Lawzi highlighted the wheat project in Alswan area where around 15,000 dunums will be cultivated with wheat and the apple project which has been supported by the government and which is to be implemented in south of Jordan.

"A new slaughter house for poultry will be established in Duleil area with a capacity of 5,000 tonnes per hour, we hope that by the year 1990, all the problems of poultry slaughtering will be solved," Dr. Al Lawzi said. "The ministry will also expand its irrigation services in the Jordan Valley and many other areas where irrigation is needed, as the case in northern Ghori," he added. Dr. Al Lawzi also pointed out the role of the agricultural credit institution which contributed JD 8 million to farmers.

Arar approves committee's recommendations

Border points to issue work, residence permits from today

AMMAN (J.T.) — The Department of Aliens and Borders Saturday starts receiving new applications for bringing in non-Jordanian manpower to the Kingdom in addition to issuing and renewing residence permits. The department will issue new permits according to new bases and the duty stations will include the person's time of entry into the country and their full address.

The new permit forms will be filled in at the border points, particularly at the airports.

The department stopped issuing such permits on Dec. 9, but will start implementing new measures in relation to the bases and terms of issuing and renewing residence permits in addition to granting

annual residence permits for the first time and permit renewal for various categories of Arab and foreign workers in Jordan.

These categories include unemployed foreign workers and maids, in addition to foreign wives of Jordanians and students who are exempted according to the law on residence and alien affairs.

The Jordan Times has learnt that Deputy Prime Minister and Interior Minister Suleiman Arar has approved the recommendations of the ad hoc committee, charged with studying and evaluating work at the department. Under the committee's recommendations, the department has been divided into six divisions. Foreigners' annual residence permits; Arabs annual residence permits; records general registers; accountancy; issuance and files.

The Jordan Times has also learnt that Mr. Arar has approved the conditions governing the issuance of residence permits, as contained in the Director of Public Security Department's letter.

Potash company, bank consortium sign JD 12m syndicated loan

AMMAN (J.T.) — The Arab Potash Company (APC) Thursday signed a JD 12 million syndicated loan, which converted its overdrafts of an equal amount from local banks into a long-term credit.

The seven-year government-guaranteed loan is repayable after three-and-a-half years in eight semi-annual instalments at 10 per cent interest.

The Arab Bank in Jordan lead-managed the syndication and the local branches of the Citibank, Chase Manhattan Bank, Grindlays Bank, the Bank of Credit and Commerce International, Jordan National Bank and the Arab Jordan Investment Bank participated.

The company lost JD 13.84 million in its first year of limited operation in 1983.

Kuwait, Libya, Iraq, the Islamic Development Bank and the Arab Mining Company are shareholders in the company, set up with a fully paid-up capital of JD 63 million.

The agreement was signed for the government by Finance Minister Hanna Odeh and Deputy Governor of the Central Bank of Jordan Hussein Al Qasem and for the consortium by Khaled Shuman, vice president of the Arab Bank, Mr. Thabet Al Taher, vice chairman of the Arab Potash Company's board of directors, and the company's director general Ali Nsour.

Following the signing ceremony, Dr. Odeh expressed the government's appreciation to the consortium of banks and paid tribute to the constructive cooperation between the two sides in supporting the country's development projects.

Mr. Taher also spoke after the ceremony voicing appreciation to the government for its support to the Arab Potash Company and for

reholders in the company, set up with a fully paid-up capital of JD 63 million.

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Mr. Taher also spoke after the ceremony voicing appreciation to the government for its support to the Arab Potash Company and for

guaranteeing of loans. He also paid tribute to the Jordanian banks which offered the loan which, he said, will enable the company to implement its expansion and other programmes.

Mr. Shuman, who also spoke afterwards, said that the government's guarantee ensures further facilities from the banks to the major development projects in Jordan.

Earlier, Mr. Taher announced that APC's offices will be moved to the company's field of operation near the factory, south of the Dead Sea. He said that this will take effect from March 31, upon a decision by the company's board of directors and in response to a government request. The presence of the administrative offices near the factory will ensure more control, better production and will create job opportunities for the people of the southern regions of Jordan, Mr. Taher added.

Nsour wins Salt municipal elections

By Sa'ad G. Hattar
Special to the Jordan Times

SALT — Dr. Abdul Razzak Al Nsour has won the municipal elections here while eight other candidates from his bloc, the 'con-

structing and building' bloc, and a candidate from the 'labour and solidarity' bloc won membership of the nine-member municipal council, Balqa Governor Mohammad Al Khatib announced Thursday.

In a statement to the press, Mr. Khatib disclosed the following vote counts: Dr. Nsour - 5,269; Salem Esmail Khreisat - 3,360; Mousa Al Dabbas 3,341; Mansour Al Alken - 3,253; Mahmoud Al Heyari - 3,126; Abdul Razzak Al Fadel Al Huyasat 3,003; Ghalib Amad 2,286; Eid Al Hadidi - 2,784 and Anwar Khateshat 2,767 votes.

He also named those who did not obtain enough votes to join the membership of the council: Ahmad Al Hadidi 2,659; Jalal Tadrous 2,576; Habes Al Habashen 2,503; Mohammad Al Dawoud 2,343; Fawwaz Khreisat 2,163; Hashem Al Heyari 2,068; Hassan Al Nabelsi 2,029; Ahmad Matar 1,933; Shehadeh Fakhouri, 1,696; Rayyan Khateshat 776 and Suheileh Al Awamleh, the only female candidate who obtained 573 votes.

A total of 7,794 persons voted during the election including 3,433 female voters from the Salt electorate.

The elections lasted from seven in the morning until four thirty in

the afternoon and Salt city witnessed the hottest elections ever as 71.8 per cent of the 10,850 voters headed towards 18 ballot boxes distributed in seven centres in the city.

Mr. Khatib, president of the Salt city elections, personally supervised the distribution of ballot boxes and election commissions. Eighty presidents and members took the legal oath in front of the governor after which he emphasised the necessity of abiding by instructions and election rules which are provided for under the Ministry of Municipal and Rural Affairs and the Environment.

Mr. Khatib pointed out the governorate's precautions and preparations before the elections. He said that security and legal procedures were taken in order that the elections would take place in a calm, democratic and organised atmosphere. The governorate also prohibited citizens from using guns, car horns and loud speakers, Mr. Khatib added.

Balqa Police Director Brigadier Faleh Al Gharabeh said that his directorate took measures to keep the election process under control. He said that policemen organised traffic and pedestrians inside and outside the city since dawn, while policemen supervised women's ballot boxes.

Rainy, windy weather to continue for 48 hours

By Sa'ad G. Hattar
Special to the Jordan Times

AMMAN — The Kingdom is still under the influence of a cold air mass accompanying the deep depression which is currently centred over the north east of Cyprus. Meteorology Department weather forecaster Abdul Rahman Abu Nsair said Friday.

In an interview with the Jordan Times, Mr. Abu Nsair said that the weather will remain cloudy to partly cloudy with simultaneous showers in the hilly areas. The wind will be southerly moderate becoming strong. He added that these weather conditions are expected to continue for the next two days.

In the Gulf of Aqaba, Mr. Abu Nsair said the weather will be partly cloudy with scattered rain, the wind will be southerly moderate into active at times and the sea is rough.

The quantity of rainfall during the last 24 hours were reported as follows in millimetres: Amman Airport 12.2, Queen Alia International Airport 2.7, Amman Municipality 25, Irbid 28, Ramtha 15, Bani Kenana 39, Jerash 20, Al Baqoura 28.2, Al Koura 8.5, Ajloun 49, Al Khaldieh 15, Al Marraq 12, Bal Ama 21, Turra 16, Duneibeh 25, Hoshia 10, Al Hoson 22, Wadi Al Duleil 15.6

and Deir Alla 20 millimetres.

Concerning road conditions, the director of external public relations at the Public Security Department, Major Munther Al Shairi, told the Jordan Times that the Kingdom's roads are not impassable and have clear visibility, despite fog on some roads. He said that the weather conditions caused a Volkswagen car to overturn on the Zarqa highway, resulting in the death of its driver.

In Aqaba an oil tanker truck overturned spilling nearly 50 tonnes of oil onto the streets and injuring the driver. The truck overturned when the driver lost control over the vehicle as it was heading towards the city and this caused it to hit a wall of a house, causing damage to it.

2 killed, 87 injured

AMMAN (Petra) — Two people died and 87 were injured in 151 road accidents in various parts of the country last week according to a statistical report issued Wednesday by the Public Security Department.

The report said 120 of the 151 accidents occurred in Amman.

NEWS IN BRIEF

Iraqi civil defence chief due today

AMMAN (Petra) — Iraqi Civil Defence Director General Imad Hussein Shabib arrives in Amman Saturday at the head of a three-man civil defence delegation on a few day official visit to Jordan. The Iraqi delegation will tour a number of civil defence departments and centres throughout Jordan and will visit historical, archaeological and economical sites. Mr. Shabib's visit to Jordan comes in response to an invitation by Civil Defence Department Director General Khaled Al Tarawneh.

Swiss economy team discusses loan

AMMAN (Petra) — A Swiss economic delegation, currently on a visit to Jordan Thursday met with a number of senior officials at the Ministry of Planning to discuss a loan to Jordan. The loan, which would come from the Swiss government and a consortium of Swiss banks, is to be used for financing a number of development projects in the country. The Swiss delegation, which groups representatives from the Swiss federal government and banks, arrived in Amman on Wednesday.

Committee to deal with land transport

AMMAN (Petra) — The Ministry of Transport has decided to set up a special committee to deal with the problems facing land transport via Aqaba city. The committee will submit the recommendations to the cabinet in order to draw up solutions. The committee comprises representatives from the ministries of transport, public works and finance in addition to the Jordanian-Iraqi Land Transport Company. Minister of Transport Farhi Obaid has recently fixed the transport fees for each tonne of goods from Aqaba to Dhaha'a at JD 4.620.

New industries receive go-ahead

AMMAN (Petra) — A planning committee at the Ministry of Industry and Trade has approved the establishment of several new industries in Jordan which will have a total capital of JD 1.55 million. The industries to be established will manufacture furniture, irrigation pipes, table clothes, coloured chalk, woolen socks, marble slabs and shirts among others. The committee urged the factories to employ local workers, to use locally produced raw materials and to follow the standards and specifications set by the Ministry of Industry and Trade.

Jordan to attend port services meeting

AMMAN (Petra) — Coordination and unification of port operations and services in African harbours will be discussed during a meeting to be held Saturday in Mohammadiyah, Morocco. The Ports Corporation, which will take part in the second meeting of the North African Ports Union General Assembly, will be represented by director of operations, Mohammad Hourani.

Youth shot dead in Irbid Governorate

IRBID (J.T.) — A 25-year-old youth has been shot dead in Ubsar, Irbid Governorate, the Arabic daily newspaper Al Ra'i said Friday. It is believed that the victim was murdered by his brother and the Irbid public prosecutor has started investigations to establish the reasons behind the crime, the report added.

Credit training course winds up today

AMMAN (Petra) — A specialised training course on documentary credits ends Saturday at the Jordan Institute of Management. The two-week course was organised by the institute in cooperation with the Jordan Phosphate Mines Co. (JPMC). The course dealt with documentary credits as one of the most common methods of payments and briefed participants on the banking forms used as well as stating liabilities and relations of parties concerned with these operations. Taking part in the course were 25 participants from the JPMC, the Jordan Fertiliser Industry Company and the Arab Potash Company.

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GIANT CONSTRUCTION EQUIPMENT COMPANIES MERGER

VOLVO BM and CLARK EQUIPMENT COMPANY, subsidiaries of AB Volvo and Clark Michigan Company, announced recently their plans to join forces in forming one single worldwide business. The company will be registered in the Netherlands and will be owned 50 per cent by each of the two parent companies. It will initially operate from the existing headquarter facilities in both Sweden and the United States, with manufacturing resources in Europe, USA, Canada and Brazil. The owners plan to utilise the technological, R. D. manufacturing, marketing, distribution and financial strengths of Volvo BM and Clark Michigan to enable the new company to hold significant market share of the worldwide market for wheel loaders, rigid off-highway dump trucks and articulated dumpers. Additional products offered will be wheel dozers, heavy-duty loader excavators and log skidders. In 1985 the company is expected to achieve sales exceeding U.S. dollar 500 million and will employ approx. 7,500 people.



ARABIC PRESS EDITORIALS

Thursday's

Al Ra'i: Jordan supports Iraq's peaceful drive

KING HUSSEIN's visit to Baghdad and his talks with President Saddam Hussein constitute another link in a long series of national stands which Jordan adopts for rebuilding a strong Arab front capable of confronting challenges. It was natural for the two leaders to meet so as to make a general review of the situation in the Arab region and the latest developments in the Gulf War. No doubt they discussed Iraq's decision to opt for offensives against Iran, which had so far rejected all peace bids offered by Iraq to end the conflict.

Iraq wants peace and Jordan supports its position, but this does not mean that the Arabs should succumb to Iranian terms and criminal actions. The offensive is designed to clip Iran's nails and to deny it economic sources which fuel the war machine. The new Iraqi offensive is to be considered as a reminder to the Tehran regime that its rejection of all peace bids is bound to bring about disaster to the Iranian people.

Jordan, which supports Iraq's stands has been calling on all nations to support justice and intervene to end the war, and stop enemy conspiracies against this nation.

Al Dustour: Pressing Iran into peace

A STATEMENT by the secretary general of the Organisation of Islamic Conference about a new organisation's initiative to end the Gulf War brought about a new birth of optimism to the Arab and Islamic World. Such an initiative will be welcome now following more than four years of fighting that brought destruction to two Muslim neighbours and sufferings to the peoples of the region.

The Islamic nations are concerned more than any other nations of the world about this war and should make all efforts for ending it, and should not accept Iran's rejection or intransigence as a final reply to all peace bids. Perhaps Iraq's latest offensives and the growing Iraqi war power will help the Islamic nations in their endeavours to end the war and will persuade Iran of the futility of the conflict.

If Iran proves responsive to the new bid, the region should expect a bright future where Muslims can live in peace. Therefore, we call on the Islamic nations to intensify their efforts and to persuade Iran to sit and talk peace which is more beneficial for the Iranian people than Iraq and more fruitful than war.

Friday's

Al Ra'i: Israel plots ravaging the South

ISRAEL IS not making a secret of its intentions in South Lebanon and is planning to cause disturbances once its troops have been withdrawn from the region. The latest statements by Yitzhak Rabin and other Israeli leaders that the South of Lebanon is in for a massacre, reflects Israel's conspiracy which it is now hatching against the territory and its people.

Perhaps Israel is planning to take revenge on the Lebanese resistance which had been irking its occupation in the south and it now plans to incite other factions and its agents to start an internal struggle in the South. Perhaps Israel is planning another Sabra and Shatila style massacre against the people of Lebanon and the refugee camps in regions to be evacuated by its forces. Therefore, the Arab countries are now called on to warn the international community of the coming danger and of the conspiracy plans designed against the Lebanese people.

The U.S., which has been echoing Rabin's statement about possible disturbances in the South, should realise that its strategic alliance with the Zionist enemy cannot vindicate it from any new crimes in Lebanon. Washington should also know that South Lebanon is not threatened by disturbances from its own people but from the enemies of the Arab Nation.

Al Dustour: In support for Iraq

KING HUSSEIN paid a two-day visit to Baghdad as a show of support for Iraq and in expression of a national stand. Jordan supports Iraq's bid to achieve peace and to repel aggression and it also seeks to enlist Islamic nation's efforts to join all nations seeking to end the war. No doubt the latest developments on the front required such a meeting between King Hussein and the Iraqi president who need to make a general review of the situation in a bid to bolster the strategic alliance between Jordan and Iraq in the face of all threats.

Jordan realises the dimension of the Iranian aggression and the adverse effects of a prolonged Gulf War on the region's economy and people and, therefore, it seeks to help Iraq in its efforts to reach peace and to back its attempts to put an end to Iran's aggression on the Arab Nation.

Jordan has already warned the world of the consequences of such a war and has been active in efforts to bring peace that would end the sufferings and destruction to the region. Jordan wants to end the war so that all Arab and Islamic resources can be pooled for the confrontation of Israel, the common enemy, and its ambitions in the Arab World. Perhaps the King's visit to Baghdad, which followed his tour in the Gulf states will help to pave the way for an Arab summit that would pool all the Arab resources in the face of the nation's enemies.

Sawt Al Shaab: Teaching Iran a lesson

THE PAST few days proved to the whole world the military power of Iraq and its capability to achieve military successes over the Iranian enemy. Iraq's efforts to achieve peace are flexible indeed and its ways are diverse and wide. Its recent offensive was designed as part of its efforts to achieve peace with Iran and its thrust into Iranian territory was meant to serve as a warning to the Iranian regime that Iraq has the power to cause further destruction in Iran if it continued to reject peace. At the same time, Iraq is aiming at foiling Iran's attempts to mass troops for another offensive against Iraqi territory and it chose to thwart Iran's plans and to beat them in the bud.

Perhaps the Iraqi offensive was a clear reply to attempts by Syria and Libya to join forces with Iran and to incite its regime to pursue the war. This offensive came to dissipate the dreams of the regimes in Tripoli, Damascus and Tehran and to prove to the world that the Iraqi people are capable of repelling all aggression whatever the source. Jordan supports Iraq in all its attempts to bring peace and to foil enemy plans designed against the Arab Nation.

U.S. rejection of World Court has deep roots

By Neil Lewis
Reuters

WASHINGTON — President Reagan's decision this month to refuse to take part in a case brought to the World Court by Nicaragua has dismayed many lawyers and comes 50 years after the U.S. Senate voted against taking part in the first international court tribunal.

Withdrawal from the case, in which Nicaragua accuses the U.S. of being responsible for aggression by U.S.-backed right-wing guerrillas, highlights Washington's traditional unease with international law, scholars and lawyers said.

Professor Richard Falk, who teaches international relations at Princeton University, told Reuters that the rejection of the International Court of Justice in The Hague was symbolic of U.S. ambivalence about the use of the court and international law.

"When the law is on the side of the United States we think it's great and when it's not it's intolerable," he said.

Prof. Falk said the U.S. insisted in complaining to the World Court

five years ago when Iran seized U.S. diplomats in the Tehran embassy, even though Iran rejected the court's role.

Professor Thomas Dabacco of American University in Washington said the reasons for the current episode were wholly different from the isolationism that gripped the U.S. in the 1930s during the debate on whether to join the League of Nations and the precursor of the current World Court.

Fifty years ago this week, the Senate, reflecting the insularity of the times, voted resoundingly against U.S. participation in the court.

Twelve years later, the United States became a founding member of the new World Court, which was established with the advent of the United Nations.

In contrast to the earlier debate, Mr. Reagan's decision was widely denounced in Congress. But Prof. Dabacco said the common thread was that Washington had never taken seriously an international court system which could rule against it.

"We've never really wanted to be part of an international justice system. At least now with the rejection of the court, our practice and theory have come together. There's less hypocrisy," he said.

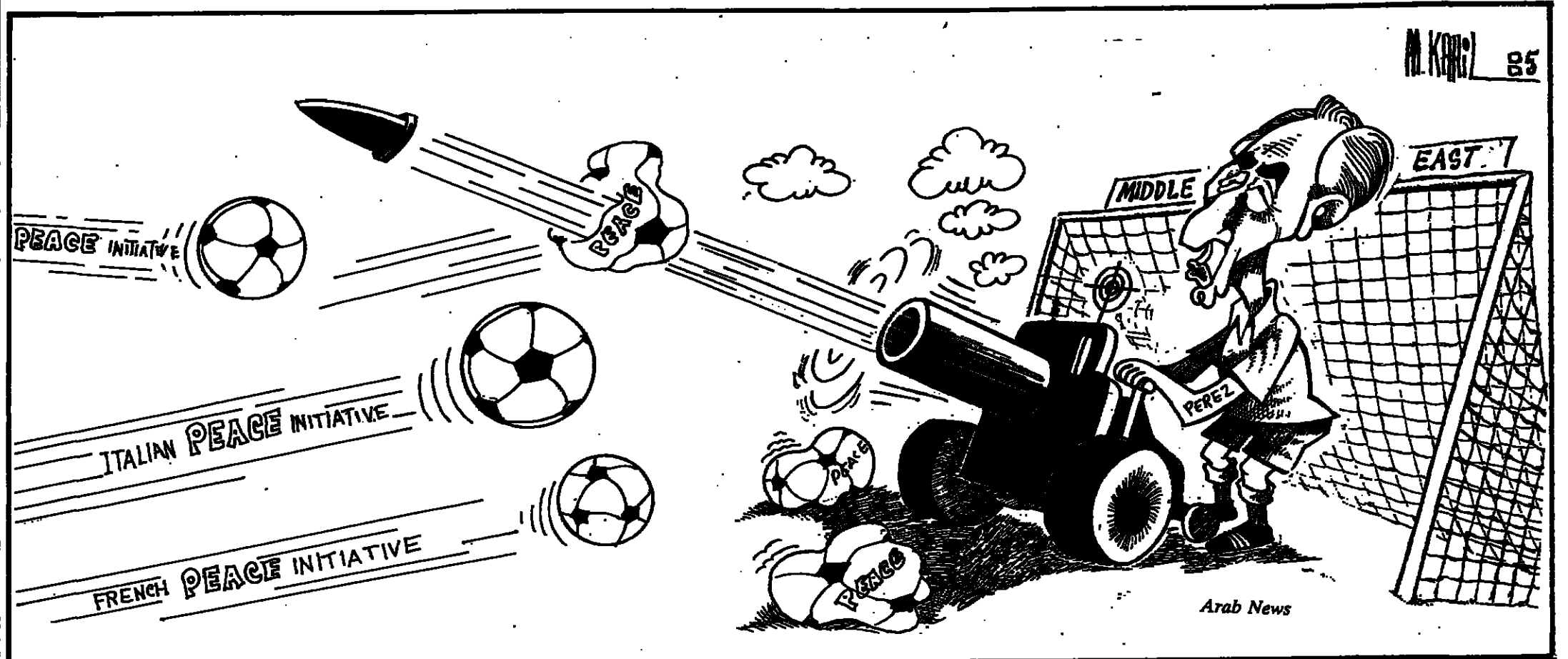
Prof. Falk said that following "the U.S. loss of control" in the United Nations in the 1960s, Washington became sceptical of using international law.

Professor Myres McDougal of Yale University Law School, who was hired by the administration to present the unsuccessful U.S. argument against Nicaragua's complaints, said the issue should properly be debated in the U.N. Security Council.

Prof. McDougal said: "The United States is not spitting at the law. We are not rejecting international law."

He contended that the leftist government in Managua did not have the authority to bring its complaint before the court and that no major power could commit itself in advance to accept the authority of an international tribunal.

The Iran case was not comparable, he said, as it did not involve agreements concerning participation in the World Court established in 1946 but rather diplomatic conventions more than 600 years ago.



France tries to manage revolution in N.Caledonia

By Brian Timms
Reuters

THIO, New Caledonia — The garbage van is escorted through town by armed police, the town hall is protected by a machinegun post and many residents have fled.

The tiny town of Thio, nestled below a mountain of nickel ore, is at the heart of a revolution on the Pacific island of New Caledonia.

The revolutionaries — militant Melanesian Kanaks — are trying to end rule by France, which took over the territory in 1853 and used it to dump political prisoners.

For a while, most whites on the island were descended from prisoners. Later, settlers began arriving voluntarily. The Kanak tribesmen tried to fight them off their land but were suppressed. Thousands were killed in uprisings in 1878 and 1917.

Now the 62,300 Kanaks, although outnumbered by the French and other settlers from the

Pacific in a total population of around 145,000, are trying again.

The start of the latest uprising was signalled when black militant leader Eloi Machoro swung his axe through a ballot box in Thio town hall in mid-November.

Kanak militants then erected barricades on roads throughout the territory, putting rural areas under siege.

Most barricades have been taken down and, Mr. Machoro is dead, shot by police on Jan. 12 outside a farmhouse in which he had been sheltering with armed supporters.

But in the two months since Mr. Machoro swung into action, France has switched from an offer of possible independence in 1989 to the prospect of independence next year. The militant Kanak Socialist National Liberation Front (FLNKS), organising the revolution, is beginning to feel it is making progress.

France is now trying to hammer out a formula for avoiding civil war in talks on independence with leaders of the FLNKS and with settlers, most of whom oppose independence.

The price so far is 23 dead in racial violence since the uprising began in November.

The territory is clamped under a state of emergency with a nighttime curfew, and France has deployed a 6,000-strong security force, including special riot squads, in an attempt to keep control in New Caledonia.

While the talks falter on, majority settlers and militants watch each other nervously, fearful of being caught unaware.

In Thio several hundred local Kanak tribesmen have barricaded themselves into a village near the Catholic mission, erecting signs warning "danger — death".

French paramilitary police, turning red in the heat and humidity

after flying from the European winter, patrol the territory's roads and guard strategic points such as bridges.

Settler farmers have built barricades and gun emplacements around their land, which is one of the major issues of the independence dispute. Kanaks own only half the land on the island, some 400 kilometres long by 50 kilometres wide.

France has introduced major land reforms in the past few years, buying up farms and turning them over to Kanak tribes.

But the Kanaks are seeking sovereignty over the entire territory, a demand which French special envoy Edgard Pisani is trying to get round in a formula announced on Jan. 7.

Part of Mr. Pisani's plan is that Noumea, the capital, in which most of the 55,000 whites live, could become a special zone within independent Kanaky — land

of the people.

Mr. Pisani, sent to New Caledonia in December to draw up a peace plan, flies back 20,000 kilometres to France soon to give the French government his final version.

His plan calls for a referendum in July asking voters, black and white, whether or not they wish the territory to become independent next January. France would keep special links such as responsibility for internal security and defence.

This would enable Paris to go ahead with the construction of a big naval base on the strategic island, some 1,500 kilometres northeast of Australia.

French President Francois Mitterrand was greeted by 20,000 pro-independence demonstrators in Noumea on his one-day visit on Jan. 19.

The big question is how the referendum will go. If the answer is

"no", the plan is to hold another vote in 1989.

The FLNKS, which on Dec. 1 set up a provisional government, has pledged greater autonomy if the vote is "no".

Settlers who have been in the territory less than three years will not be allowed to vote, removing many public servants from the voting list and whittling it down to 75,000.

Faced with the instability, many settlers could return to France before the referendum.

New Caledonia has one-third of the world's nickel deposits, but the two major mines have been closed by sabotage and will not resume full production for several weeks.

The second big earner, the tourist industry has been very badly hit. Rural areas are unsafe and Noumea's hotels have plenty of rooms. Many shops open only half-a-day through lack of business.

Swedish political realities loom large

Sweden's Social Democratic government has enjoyed a better economic record than it dared hope for when it took power more than two years ago, but with general elections due in September, it cannot afford to be complacent about the economy. Kevin Done reports.

STOCKHOLM — Mr. Kjell-Olof Feldt, Sweden's finance minister, has a small black money box on his desk. Visitors are invited to place a one-krona coin in the slot. A motor whirrs into action, the lid opens and a blue hand grabs the money and disappears.

A verse on the box explains that the state budget deficit reaches from here to eternity. Every krona donated goes to the budget, and for each coin the donor can buy a little piece of eternity.

As Finance Minister Feldt has accustomed himself to thinking in the long term, but immediate political realities in Sweden are now beginning to loom larger. The ruling Social Democrats face a general election in September and for nearly a year they have been trailing badly in the opinion polls, despite an economic record which has proved better than even they dared hope when they took office in October 1982.

On the economic front, the country has made considerable progress in righting the huge imbalances that developed during the second half of the 1970s and the early 1980s, when it was considered one of the sick men of Europe, unable to pay for its bloated public sector and unable to hold its place in international markets.

The 1985-86 budget, published earlier this month, makes the proud boast that Sweden is one of the few countries which have been able in recent years both to bring down unemployment and reduce inflation, while at the same time practically eliminating the deficit

on the current account.

The government has been lucky. Its economic strategy — the so-called "third way" — was based on a dramatic 16 per cent devaluation pushed through in its first days in office in October 1982. The move infuriated Sweden's Nordic neighbours, not to mention the International Monetary Fund, but gave Swedish industry a level of international competitiveness it had not enjoyed since the beginning of the 1970s.

In two years, exports went up by 18.5 per cent; while imports rose by only six per cent. Market share lost during the late 1970s was regained and the deficit on the current account of the balance of payments — which had risen alarmingly to more than Skr22 billion (\$2.43 billion) in 1982 — virtually disappeared.

Industrial production has increased by 15 per cent since the middle of 1982, compared with no more than three per cent in the rest of Western Europe. Employment in industry has also increased modestly while the service sector has continued to expand.

Full employment remains the Social Democrats' major goal and big spending on labour market measures, job creation, relief work and retraining kept unemployment as low as 2.9 per cent in November. The figure is closer to seven-eighths per cent when those dependent on labour market support are included. Industrial investment picked up by 20 per cent last year with many export companies working at or close to capacity.

The Social Democrats have given up subsidising failing industries: in recent weeks the closure of one of the country's biggest remaining shipyards has been announced and Salenest, the country's biggest shipping company, has been allowed to go into bankruptcy.

"We have accepted the lessons of how wrongly we acted earlier," says Mr. Feldt. "I told the bank managers we are not afraid of a bankruptcy. This government is not prepared to bail out companies."

"We have restructured old industries, shipbuilding, steel, textiles and mining, remarkable in a European context. Steel capacity has been halved, special steels restructured, shipbuilding is a fifth of its earlier size, iron ore mines have been closed and textiles is still going through a tough restructuring."

Mr. Feldt feels that the rapid adjustment was made possible by the widespread commitment to full employment. "I was told Sweden could never adjust with its high taxes, strong trade unions and a Socialist government, but we have," he said. "People can accept industrial change because they don't feel to the same extent (as elsewhere in Europe) that if they lose the job they have, they can never gain new employment."

But the celebratory tone of the budget presentation is haunted by a major spectre — inflation and rising labour costs. The government's targets have been ambitious enough, but inflation has failed so far to obey its commands.

Its biggest failure to date has been its loss of control of the last wage round in spring 1984. Wages rose by eight-10 per cent compared with a six per cent target,

and inflation by the end of the year was running above eight per cent, double the four per cent target.

The government has battled hard during the last six months to convince both employers and the trade unions that a rise in labour costs of five per cent is the maximum the country can bear, but it remains to be seen whether the message has got through.

The strategy is complicated by worries about this year's election. "We are fighting uphill," admits Mr. Feldt. "We will improve in the polls this spring, but the question is whether we will gain enough to win on election day." He is confident that the non-Socialist opposition, now comprising four parties, will have trouble holding a united front during the election campaign.

"They are divided on what they want to do, that will create confusion," he says. But there has been an undeniable wind of public opinion blowing towards the right in Sweden in the last couple of years, and the Conservatives have emerged for the first time as the biggest opposition party.

The Social Democrats have been undeniably successful in hauling the Swedish economy out of deep crisis, but the Conservatives appear to be winning on more intangible issues, such as personal freedom, in a country that is becoming increasingly tired of collectivist solutions.

Mr. Feldt accepts that if ever the old Swedish alliance of the blue collar unions and the Social Democratic party faced a test, it is now. For, with the highest tax burden in the world, there are no new sources of revenue for Mr. Feldt's little black money box except continued economic growth — Financial Times news feature.

Guerrilla activity in Western Europe is on the rise

By Gavin Bell
Reuters

PARIS — French guerrillas have joined an emerging clandestine network in Western Europe and shown they are deadly serious by assassinating a senior French Defence Ministry official.

It was the first premeditated murder by the Action Directe group, which had previously confined itself to bombing symbolic targets.

Friday's shooting came 10 days after Action Directe announced that it was joining forces with West Germany's Red Army Faction (RAF).

Both groups declared war on NATO by identifying as their main targets the Western alliance's bases and multinational structures.

Action Directe signalled a fearsome new tactic in choosing as its first victim Rene Audran, an arms expert who headed the ministry's directorate for international affairs.

Mr. Audran, 55, had never been threatened before and had no special protection. He was vulnerable, like scores of other people vital to West European security.

After Mr. Audran's death a French daily newspaper, Le Monde, quoted competent circles as saying nuclear attack submarine commanders and strategic bomber pilots may now be on the hitlist.

French security experts say they have been aware for some time of links among Action Directe, the RAF, and Belgium's fighting Communist Cells (CCC).

Explosives used in attempted bombings last year of the Western European Union in Paris and a NATO college in West Germany both came from a stock stolen from a Belgian quarry.

In March 1983 three leading members of Action Directe were tracked down in Brussels but escaped from a police raid.

There have also been contacts with underground nationalist groups, security sources say.

Last September the sources said members of Action Directe had secretly met Irish Republican and Corsican nationalist guerrillas in the Spanish Basque Country.

General Jeannou Lacaze, the French chief of staff and a former director of France's secret services, sounded the alarm in a speech just 11 days before Mr. Audran was killed.

Mr. Lacaze said international terrorism, with links between different groups, threatened a new form of warfare aimed at demoralising and destabilising the West.

Action Directe's entry to the guerrilla "family" came as it seemed to be losing a struggle with French security forces led by a new anti-terrorist coordination unit.

A series of arrests since 1982 had put 19 of its suspected members in prison, including Regis Schleider, regarded as one of its leaders.

But last Friday Mr. Schleider, on hunger strike in coordination with RAF prisoners in West Germany, wrote a letter from his French jail outlining unity moves by West European guerrillas aimed at forming an anti-imperialist front.

World economic crisis dismembers gigantic ITT

After almost two decades of being built up by Harold Geneen, the powerful multinational International Telephone and Telegraph (ITT) is now in the process of being partially dismantled by one of Mr. Geneen's most loyal lieutenants. Paul Taylor looks at the reversal in ITT's corporate strategy.

NEW YORK — It took Harold Geneen the best part of two decades to assemble ITT into the multinational behemoth it had become when he stepped down as chief executive in 1978.

Now, six years later, one of his brightest and most loyal lieutenants, Mr. Rand Vincent Araskog, is busy partially dismantling the group his former boss put together.

Earlier this month, Mr. Araskog, ITT's powerful but usually reserved 53-year-old chairman, added the latest touch to his own plan for reviving ITT's flagging fortunes by putting \$1.7 billion of ITT's remaining \$14 billion in assets on the auction block.

The latest move will virtually complete the disposal of one of ITT's four divisions, the natural resources and food group, and result in a far-reaching re-

organisation touching virtually all segments of ITT's far-flung empire.

The asset sale highlights the reversal in ITT's corporate strategy under Mr. Araskog. It also places a further question mark over the future of corporate conglomerates in the U.S.

These doubts have already led to the break-up of conglomerates like City Investing, the reorganisation of others like Gulf and Western (created by the late Charles Bluhdorn), and raised more general questions about the wisdom of diversification strategies.

This is in sharp contrast to the prevailing corporate fashion of the 1960s when share prices were high, money was relatively "cheap" and Harold Geneen went on his corporate buying spree.

His vehicle was International Telephone and Telegraph, a com-

pany founded in 1920 by Col. Sosthenes Behn, a sugar broker from the Virgin Islands, whose ambition was to build a "phone company which would do for the world what American Telephone and Telegraph had done for the U.S.

Col. Behn laid the foundations of the multinational conglomerate, helped by the U.S. government, whose 1925 anti-trust action against AT&T's Western Electric subsidiary resulted in ITT acquiring Western Electric's overseas manufacturing operations. But when Col. Behn died in 1957, ITT was left struggling to rebuild its empire in the post-war years.

Two years later, ITT hired Harold Geneen as president and chief executive. Mr. Geneen, who left school at 16 and worked his way up the corporate ladder at Bell and Howell, Jones and Laughlin and Raytheon before joining ITT, quickly proved his reputation as a brilliant accountant and relentlessly hard-driving manager.

When he took over, ITT had sales of \$765.6 million and profits

of just \$29 million. Eighteen years later, when he stepped down, ITT's sales had reached \$16.7 billion and earnings topped \$560 million.

On the way, Mr. Geneen had taken the group into everything from sliced bread to insurance, hotels, grass seed and car parts. Among the companies he acquired for ITT were cash generators like the Hartford Insurance Group and the Continental Group which sold Wonder Bread and "Twinkies" and was divested last year.

Folklore has it that Mr. Geneen's buying binge was triggered by Fidel Castro's nationalisation of ITT's Cuban telephone company after which he vowed to take back into the U.S. to protect ITT's existence. The rationale appeared to be to build a diversified conglomerate able to ride cyclical downturns in individual sectors and to take advantage of economies of scale and the tightly knit headquarters management structure which the former ITT cha-

irman built to run the empire. The ITT he created was run by meeting, "managed by objectives" and subject to tight, centralised financial controls.

His success earned him nicknames like "the General Patton of industry" and personal accolades such as "the Michelangelo of management" from awestruck admirers. At its peak ITT was the ninth largest industrial company on the Fortune 500 list behind four oil giants, Ford and General Motors and GE and IBM.

But ITT's massive growth came at a cost. Weighed down by the debt used to finance the string of acquisitions, at a time when interest rates were soaring, and also by a top-heavy management structure, profits and virtually all the other performance measures were stagnating by the late 1970s. What is more, ITT's aggression had led it into several highly publicised political scandals earlier in the decade, tarnishing the company's image.

When he stepped down as chief

executive, Mr. Geneen hand-picked Lyman Hamilton, a cost-cutting specialist he had brought in from the World Bank in 1962, to succeed him.

But Mr. Hamilton set about trying to reorganise "The House that Harold Built" and reportedly tried to sell some of Mr. Geneen's most prized corporate trophies. The response from Mr. Geneen, who still remained chairman, was equally rapid.

A year later, Mr. Hamilton was out and Mr. Araskog, a former Honeywell executive who joined ITT in 1968, was installed, first as chief executive and then as chairman when Mr. Geneen finally vacated his office at ITT's Park Avenue, New York, headquarters.

Mr. Araskog appeared to move slowly at first. But there was no mistaking his intentions. He set out to turn ITT around. Quietly he set about achieving what Lyman Hamilton before him lacked the power to do: get ITT's debt down, cut costs and refocus the company

on high growth high-technology businesses.

The "deGeneening" of ITT, described by insiders as "an evolutionary process" reflecting changing perceptions rather than a "revolutionary" shift, actually began five years ago. But when ITT's profits sank early last year because of problems at its Hartford Insurance Group the company was forced to slash its quarterly dividend after 20 years of consecutive increases, and the divestiture programme went into overdrive.

To date, excluding the latest proposals, Mr. Araskog has presided over the divestiture of a total of 67 companies with total sales of almost \$3.5 billion, generating gross proceeds of about \$1.4 billion since 1979.

While the latest divestiture announcements do not mark the end of the programme — ITT has already signalled its intention to sell its forest products group when market conditions improve — the current slimming process may be

close to running its course.

If so, ITT would still remain a large diversified multinational group, although it will be far more closely focused on three main business areas: telecommunications, financial services, and automotive products.

Even in these areas, ITT faces serious long-term challenges. In telecommunications, in particular, Mr. Araskog is gambling that heavy R and D expenditures — especially on ITT's advanced system 12 digital switch — will eventually bring sales and profits in the lucrative U.S. market.

But ITT's willingness to grasp the divestiture nettle has already helped to restore partially investor confidence and its battered share price, even though it remains well below its once lofty heights.

What Wall Street is still waiting for ITT to prove is what is left of the Geneen empire after the dust settles is worth keeping, more than comfortably profitable and can be made to work together. — The Financial Times.

'Mini series' in this week's Channel 6 entertainment

This is the second of a weekly preview of the programmes on Jordan Television's Channel 6 compiled by John Boteler, a self-confessed TV-addict with an acting background.

By John Boteler
Special to the Jordan Times

Tonight and tomorrow (Sunday), at 10.15 p.m. Channel 6 presents the monthly "mini-series" production. Filming an epic poses problems for the producer, who can choose between oversimplification, condensing a panoramic story down to a two-hour tale, with a resultant loss of the story's initial force and vision, (for example the Old Hollywood version of "Withering Heights", starring Laurence Olivier summarises "episodes of practically all of the second half of the book), or he can go the other way, say true to the whole story, and produce a monster-work, such as Abel Gance's "Napoleon" or the Russian version of "War and Peace". These are admirable creations, but they do require the audience to be very resilient, in order to last through six or eight hours of film.

Television, of course, has another option: serialisation. This enables the full tale to be told without the viewer needing to prepare himself as if for a weekend break on top of Mount Everest. But immediately another problem arises — how to last the course.

How many viewers actually managed to see every single episode of the recent Channel 6 screening of "War and Peace"? Not many, I'll be bound. This is no-one's fault, but we cannot allow ourselves to become total slaves to a monster of wire and tubes. (In the 1960s the BBC production of "The Forsyth Saga" even had vicars re-arranging church services to enable interrupted viewing — but that's the English!). Then, about seven years ago, the mini-series was born. It told a long story over several consecutive nights at a couple of hours a time. (A good example is "Eureka Stockade" screened on Channel 6 recently). The very success of this ploy, however, caused its slow demise, since the profit motive intervened and programme-makers started to reason that if people were prepared to tune in for three or four nights in a row, how much more ready they would be to do so for merely two nights? This piece of logic resulted in the mini-series of recent years, which, when all is said and done, is nothing more than an extended feature film. Our original problem, how to shape the medium to fit the message, has been given an expedient solution: twist the message to fit the medium.

However, having got that off my chest, let me say that none of this is any reason for you not to watch this week's offering "RIEL", which tells the true story of Louis Riel who, almost one hundred years after his execution, remains one of the most hotly-disputed figures in Canada's history. He was the fiery, educated leader of Metis, the half-French, half-Indian hunters who occupied the

Canadian prairies, and he came to prominence as Canada acquired these lands in her quest for a nation which would stretch from the Atlantic to the Pacific Oceans. In two separate rebellions, at the heart of which were religious and racial forces no less pertinent today, Riel challenged Canada and its irascible prime minister, Sir John A. MacDonald. The north-west rebellion of 1885 is easily the bloodiest chapter in Canada's internal history, with Riel's forces winning out against government troops three times before their own inevitable defeat. Louis Riel was tried for high treason, and on Nov. 16th, 1885, hanged in Saskatchewan.

If "RIEL" shows the oppression by the powers that be of the individual — fierce denunciation of colonialism being one of the current trends of Western television — then this week's episode of "Crime Inc." (Sunday, 9.10), demonstrates the reverse: the individual's ability to corrupt the state and turn it to his own advantage. "Making of the Mob" traces the background and history of organised crime. When prohibition hit America in the 1920s, it was a ready-made chance for the already-growing organised crime syndicates to establish their foothold in the fabric of American social and economic life. Often first-generation immigrants, the mob took over and ruled the big cities under a shadowy hand, a combination of intimidation, corruption, and assassination. The seeds that were sown by Al Capone and his contemporaries quickly took root coast-to-coast.

Of course, gang violence and corruption are not exclusive to the USA. "Travelling Man" (Thursdays at 9.10), shows the evil underbelly of life as a stark contrast to the tranquility and beauty of the Cheshire canals. I very much doubt that all will end happily ever after: the atmosphere of cynical fatalism bodes ill for our hero. This week's episode is entitled, disturbingly, "Sudden Death".

Even "Tenko" (Tuesday, 9.10), is showing evidence of everyday venality and graft. Last week Verna managed to con Miss Hassan out of an extra \$2 for Dorothy's abortion, and there are suggestions of large-scale black-market activities somewhere; where does all that drink come from? Also, now that the good Sister Ulrich has left, the inmates moral redemption is in the hands of a priest who appears to be a monument of hypocrisy and cant. This week things get even bleaker under post-faced captain Soto, while Miss Hassan decides "No More Miss Nice Girl". But there is cause for celebration when Christina is transferred back to camp and Blanche suddenly appears.

Are there no upright souls to protect us from all these threats? Well, "Remington Steele" have



Stuart Wilson and Hayley Mills in "A Sad Loss" — Tales of the Unexpected (JTV 6 Wednesday)

taken an enforced holiday because of "RIEL", but "Hardcastle and McCormick" (Tuesday, 10.20), still offer the comforting myth that one old man and his jovial protégé can prevail where the might of American law has failed. In reality, of course, all the villains would probably walk free again anyway, or the mob would have rubbed them both out long ago.

Unless Judge Hardcastle is on the mob payroll, which is most likely, else how can he afford all those cars? With the beating it takes week in and week out, that little red Coyote would never last more than one episode. This week's episode — "Killer Bees". The mind boggles! Meanwhile, "Murder She Wrote" (Friday, 9.10), continues to expound the old belief that murder is best solved by extreme nosiness, a few questions and a cup of tea and quite right too! This week sees the second and final part of "The Murder of Sherlock Holmes". Because of deadlines this writer has yet to enjoy Part One, which you all puzzled over last night; but I fondly hope that it was all a dastardly plot laid years ago by the evil Professor Moriarty himself!

But for proof that in real life individual spirit can triumph over repression one should watch "Sounds Magnificent" (Wednesday, 8.30). In the final programme of the series Andre Previn talks about modern symphonic works and the new sophisticated language of musical expression. Shostakovich encountered the peril of being an experimental composer living under Stalin's regime at a time when "difficult" composers incurred official dis-

pleasure and were known to disappear overnight. Certain that he would be arrested he used to keep a small suitcase packed and ready. Stalin, though, was too intelligent to eliminate him. Yet when Shostakovich produced his Fifth Symphony, music undoubtedly triumphed over politics.

What else has the week got to offer? Well, you could do worse than switch on tonight at 7.55, just before the news, when Victoria Omski's programme on Jordanian art, music and poetry is screened on both channels. Further programmes in this series are screened at the same time on Tuesday and Friday: a veritable oasis of calm. Also tonight we have another episode of "Tales of the Unexpected", at 8.30, entitled "A Sad Loss". The ever-youthful Hayley Mills stars as Claire Hawksworth, who may own a beautiful Caribbean hotel and share such luxury with her handsome manager-cum-lover, but she is secretly on the brink of bankruptcy. She is desperate for an advance on the inheritance to be willed to her by her rich Aunt Alicia. But how can she save the hotel when Alicia suddenly announces she has a new heir?

The Oscar film, (Thursday, 10.20), this week is "Captains Courageous", a 1977 remake of the 30s classic. It was directed by Harvey Hart, stars Karl Malden as the salty old sea-captain, and is more faithful to the original story by Kipling than the 1937 film was.

Elsewhere, the 10.20 slot on Monday, Wednesday and Friday gives us "The yellow Rose", "Hotel", and "The Queen Line" respectively, while at 8.30 the var-

ious comedy shows give us value for money. Tomorrow, (Sunday), Nigel Havers continues to be plagued by his demanding father and his ex-wife, (a clever touch that she only exists as a voice on the other end of the telephone). On Monday "Maggie Briggs" continues to try to come to terms with her new role on the newspaper, and the bearded Geoff, "Star of the Family" on Tuesday this week offers proof that the boys at the station-house do occasionally have to work. Fireman Rossetti's heroism in saving a boy and his pet dog from a burning apartment leads to his guest appearance on a T.V. show, but his account of the rescue makes him the butt of practical jokes which leads him to quit. "Three's Company" on Thursday has country cousin Cindy still in the flat, but when Jack and Janet, (is Chrissy being gently phased out?), advise Cindy to stand up to her boss, she gets fired,

which brings "Jack To The Rescue". In "Open All Hours", on Friday, a wedding invitation arrives but Arkwright's old suit reeks of mothballs. Going to the church with Nurse Gladys by car, he is forced to hang his jacket and trousers out of the window to get rid of the smell — with inevitable disastrous results!

Finally, there is episode 5 of "Mansfield Park", at 9.10 on Monday. Jane Austen, through the conventions of the period, had a limited experience of "life", but what she did see was enough to make her disillusioned and cynical. Simple, humble Fanny is the sure centre around which revolves all the self-seeking, greed, pettiness, and cruelty of a world where "worth" and "goodness" are measured in clothes and possessions, and where virtue is a scorned and debased coinage. "Plus ça change, plus c'est la même chose."

Algerians sound alarm over rapid population increase

By Alan Philips
Reuter

ALGIERS — Algerian leaders have an urgent message for their people: Have fewer children or face a future of poverty, ignorance and dependence on imported food.

Planners fear that the country's annual population growth rate of 3.2 per cent, which would double Algeria's numbers in 22 years, will nullify their attempts to convert oil and gas revenues into a higher standard of living.

A recent study by the ruling National Liberation Front (FLN) Party projects that the present growth rate, one of the world's highest, will push Algeria's population from 22.6 million now to 35.7 million in the year 2000 and 120 million by the year 2100.

Providing food, jobs, houses and schools for this mass of people is a task that not even Algeria's oil and gas wealth can pay for, according to the 28-page study published in the weekly "Revolution Africaine".

"The demographic explosion is coming and it threatens to wipe out the results of considerable efforts in the economic and social fields," it says.

Even now, Algeria imports about 60 per cent of the food it eats, and food consumption is rising faster than the population.

Algeria is boosting investment in the neglected agricultural sector and trying to persuade Algerian women to give up the traditional goal of a dozen children, though the Algiers say there is resistance to birth control on religious grounds.

The party document says Algeria must act "Rapidly and firmly" and recommends a campaign to persuade women to space out their pregnancies, preferably with 33 months between babies.

It does not mention any sanctions against families who fail to take the advice, but last month the cabinet discussed undisclosed "statutory measures" on population.

These were part of what the official newspaper El Moudjahid cal-

led "moves to create the right psychological and health conditions for the success of national population policy".

The study acknowledges it will take a revolution in thinking to reduce the birth rate of Algerian women, whose prestige tends to rise with the number of their sons. Unless Algeria is to remain underdeveloped, it will have to abandon the big-family mentality born of centuries of famine, war and plague, it adds.

The effect of previous efforts to limit population growth has been "limited if not insignificant", the study says, noting that the country has a mere 399 "birth-spacing centres" and that supplies of contraceptives sometimes run out.

This "timid" approach to birth control has, according to El Moudjahid, been prompted by "religious traditions which frequently liken birth-spacing and contraception to a grave violation of divine commandments."

Islam banned the ancient Arab practice of murdering infant daughters — a drastic form of population control — and religious tradition has been cool towards contraception.

Algerian religious authorities gave the go-ahead to contraception as long ago as 1968, though it seems the message has not got through to women, especially in rural areas.

A father of seven in Algiers remarked: "I would have been happy with two sons and a daughter ... but my wife is a bit of a believer and she says contraception is wrong."

The party study hints at a tougher approach and says the FLN — Algeria's only political organisation — will have to fight against anti-birth control traditions.

But diplomats see no immediate sign of coercive measures by the authorities, who are under strong pressure from an Islamic revival which constitutes a major source of opposition.

Any such measure would run counter to the trend of President Chadli Benjedid, who they say has generally moved cautiously in search of consensus.

Paris spring fashions: short skirts, big prices

By Peggy Massin
Reuter

PARIS — Paris haute couture collections for spring and summer grab the eye with blindingly bright colour and metallic or satin glitter, and knee-baring hemlines are the order of the day.

Prices seem to reflect the opulence. The leading houses are estimated to have increased them by 14 per cent in the past year, yet business has never been better thanks to a favourable foreign exchange rate.

According to the High Fashion Syndicate, some 3,000 private clients spent an estimated 270 mil-

lion francs (\$27 million) last year for custom-made dresses, an increase of about 35 per cent over 1983.

Several outstanding trends are already evident in the collections being presented this week by the 24 couture houses in the syndicate.

Knee-revealing hemlines are for the day, and often the night, with hundreds of short evening gowns taking priority over the "floor-sweepers".

Shoulders are broad, strapless items and décolletés appear even before sundown and both the waistline and hips emerge as focal points. Colours have violent dis-

cords such as jade with electric blue or hot orange with pink.

Ungaro keeps skirts anywhere from two to three inches (five to eight centimetres) above the knees, with hemlines edged with ruffled flounces beneath torsos swathed like an Egyptian mummy.

Many spectators queried how the mannequins got into some of the dresses divided in draped bandings which criss-cross back and forth without any visible sign of conventional closing.

The Chanel collections are designed by German-born Karl Lagerfeld. Prices at Chanel are probably the highest in Paris. Last season, an ensemble for autumn

and winter featuring a grey flannel coat and skirt with a pink satin blouse cost more than 100,000 francs (\$10,000).

Chanel hemlines no longer hover at her classic length just below the knees, but rise or fall according to the mood of the moment. The lively young collection includes black leather ensembles studded with gold medallions.

Evening is another story. Lagerfeld has always been intrigued by the 18th century and many romantic gowns appear to have stepped from the frames of portraits of that period.

Shultz: Negotiation only way for Mideast peace

(Continued from page 1)

and again said he knew nothing of any Saudi plan to cancel the visit out of displeasure at Washington's arms sale policy.

Deputy Press Secretary Bob Sims said the review is intended to discover "what would make countries in the region more secure," adding it would include the role of arms sales in achieving security.

Mr. Shultz, saying again he expects no fundamental change in U.S. policies and commitments in the region, said the review will cover the threat to the region posed by the Iran-Iraq war and by Libya's foreign policy tactics.

Lebanon, and in the Sahara."

He called President Reagan's Middle East peace initiative of September 1982 "the most promising route to a solution of the Palestinian problem."

In the year ahead, he said, the United States would be intensively engaged in "consultations with our Arab and Israeli friends to explore opportunities for progress."

In his opening statement to the Senate Foreign Relations Committee, Mr. Shultz said that "America is again in a position to have a major influence over the trend of events" in the world.

America's duty, he insisted, "must be to help shape the evolving trends in accordance with our ideals and interests; to help build a new structure of international stability that will ensure peace, prosperity and freedom for coming generations."

that he was pleased with the planned withdrawal from Lebanon and emphasised U.S. hopes that through Israeli-Lebanese talks, held in the Lebanese town of Naqura, some arrangement for a U.N. troop presence might still be found.

Mr. Reagan also assured Mr. Rabin that there will be no negotiations with the Soviets and that the United States does not favour any type of international peace conference on the Middle East situation, Mr. Shultz said.

During a Washington press conference following his talks with Mr. Reagan, Mr. Rabin said if Israel can achieve its three priority goals, "there will be a chance to expand the peace process" in the long run.

Israel's priorities are: economic recovery, without reducing its military posture; finding a solution to the Lebanese crisis; and "bringing about a warming up of relations between Egypt and Israel", according to Mr. Rabin.

Having met with President Reagan, Mr. Shultz and Secretary of Defence Weinberger as well as with members of Congress, Mr. Rabin indicated that he has found "a readiness to support Israel in this crucial period of our life" and a readiness to assist Israel in achieving its "goals."

When questioned about possible expansion of the peace process, the defence minister said

"peace cannot be imposed," explaining that Israel cannot impose peace on other Arab countries, nor can they impose peace on Israel. Mr. Rabin would not tie himself to a time table for peace in the region and said, instead, "the question is what to do and how to create opportunities for a chance to expand the peace process."

Mr. Rabin also said Israel would not accept responsibility for any outbreak of sectarian strife that might follow its troop pullback in Lebanon.

Mr. Rabin accused Syria of refusing to let Lebanon allow United Nations forces to take over territory vacated by Israel.

"Israel wants to give back territory, no conditions attached," he told the news conference. "We want one thing — to hand it (over) in an orderly way. If the United Nations can do nothing about it — well, too bad."

The Israeli government has agreed to a three-phase troop pullout from southern Lebanon, with the first phase to be completed by Feb. 18.

Mr. Rabin, declaring that Israel would meet the Feb. 18 deadline, said if arrangements were "not made for an orderly handover," "I warn the Lebanese government and the United Nations that they will be responsible... (for) whatever can happen in Lebanon when havoc (and) disorder prevail."

Aid to Israel

President Reagan informed Israeli Defence Minister Yitzhak Rabin Wednesday that the administration will seek a \$400 million increase in military aid for Israel, to \$1.8 billion when it submits the budget to Congress next week but still has not decided on the level of economic assistance it will ask, the White House said.

Mr. Reagan, according to White House officials, told Mr. Rabin

Vatanen beats Roehrl to win Monte Carlo Rally

MONTE CARLO (R) — Finland's Ari Vatanen overcame an eight-minute time penalty to steer his Peugeot 205 Turbo to victory over arch-rival Walter Roehrl of West Germany in the 53rd Monte Carlo Rally Friday.

As dawn crept over the Mediterranean, Vatanen completed the last time trial and crossed the finish in this tiny principality five minutes 17 seconds ahead of his four-wheel-drive Audi Quattro.

The two had exchanged the lead three times during the event, with Vatanen being penalised eight minutes on Wednesday for clocking in too early at a checkpoint.

That temporarily lost him the lead. But for the last two days the Finn used the power of his turbo-powered Peugeot to best effect on the dry roads.

Roehrl, by comparison, was unable to benefit from the leech-like grip of the four-wheel drive Audi, which performs better on wet or icy surfaces.

Finland's Timo Salonen underlined Peugeot's emergence as the dominant team in rallying by steering his 205 Turbo into third place, while France's Bruno Saby was fifth.

It was Peugeot's fourth consecutive rally victory, following wins for 205 Turbos in the final three events of last season — the 1,000 Lakes, the San Remo Rally and the British Rally.

Citroen, who entered their four-wheel drive Visa, finished with two drivers in the top ten — Jean-Claude Andruet, who was eighth, and Maurice Chomat in 10th.

Vatanen said Friday after his victory that a wise choice of tyres gave him the edge over arch-rival Walter Roehrl in the most exciting contest for years.

He said tyre choice for the section over hazardous snowbound roads was critical. The wrong decision would have given the race to Roehrl's four-wheel-drive Audi

Quattro. "I finally opted for snow tyres with studs. I quickly realised that I had been right," Vatanen said. "I saw Roehrl, who chose mixed racing tyres, almost at a standstill, and the expression on his face said it all. I knew then that victory was mine."

Official final result:
1. Ari Vatanen (Finland) Peugeot 205 Turbo ten hours 20 minutes 49 seconds.
2. Walter Roehrl (West Germany) Audi Quattro five minutes 17 seconds behind.

3. Timo Salonen (Finland) Peugeot 205 Turbo at 10:05.
4. Stig Blomqvist (Sweden) Audi Quattro at 19:22.
5. Bruno Saby (France) Peugeot 205 Turbo at 19:56.
6. Henri Toivonen (Finland) Lancia at 22:27.
7. Dany Snobeck (France) Renault 5 Turbo at 48:16.
8. Jean-Claude Andruet (France) Citroen Visa at 52:23.
9. Massimo Biasini (Italy) Lancia at 53:02.
10. Maurice Chomat (France) Citroen Visa at 1:22:37.

Chelsea, Forest count cost of cup battles

LONDON (R) — The strain is beginning to tell on English first division side Chelsea as they chase honours in three competitions this season.

The London side resume their league programme and challenge for a UEFA Cup place at Leicester Saturday in what will be their fourth game in eight days.

The hectic schedule, created by a combination of cup replays and postponed matches, has left their squad depleted and forced manager John Neal to make changes for Saturday's clash.

Welsh striker Gordon Davies is set to be recalled to the side as Chelsea prepare to rest either David Speedie or Kerry Dixon. But Colin Lee is definitely out with an ankle injury and Colin Pates and Scottish fullback Doug Rougie are both doubtful.

Assistant manager Ian McNeill said: "We have to be sensible and think about the programme and whether it would be wise to rest one or two players tomorrow."

Chelsea also take on Millwall in a fourth round Football Association (F.A.) Cup tie on Monday and meet Sheffield on Wednesday in a second replay of their League Cup quarter-final. They return to league action against Aston Villa next Saturday — their seventh game in 15 days.

Former European Champions Nottingham Forest are also counting the cost of their F.A. Cup defeat on Wednesday night. They crashed 1-0 in a fourth round replay to Wimbledon and lost captain Ian Bowyer with damaged knee ligaments.

Manager Brian Clough will not know until after Bowyer has seen a specialist how long he will be out for.

Tottenham, attempting to close a two-point gap on leaders Everton, could be boosted by the quick return of midfielder Glenn Hoddle at Luton.

Pan-Arab Games to be held in Morocco next August

PARIS (R) — Arab ministers for youth and sports have decided to hold the sixth Pan-Arab Games in Morocco from August 2 to 16, the Algerian news agency APS reported.

Moroccan youth and sports minister Abdellatif Semlali said events would take place in Casablanca, Rabat and Mohammadia. The decision was reached Thursday in Algiers.

Semlali said each participating country agreed to contribute \$25 per athlete per day.

The sixth Pan-Arab Games, originally planned for Beirut in 1982, were postponed because of Israel's invasion of Lebanon.

They were postponed again in 1983 because of the Mediterranean Games.

The two-day ministerial meeting also approved the idea of holding regular Arab youth festivals and Pan-Arab Games and setting up an Arab Bureau for Youth Tourism.

Semlali said that in organising the Pan-Arab Games, Morocco would draw on its experience with the Mediterranean Games, held in Casablanca, Rabat and other towns in September 1983. Morocco also hosted the African Athletics Championships in Rabat last June.

Connors survives match points against Shiras

MEMPHIS, Tennessee (R) — Top-seeded Jimmy Connors, surviving two match points against him, struggled to victory over fellow American Leif Shiras Thursday night to advance to the quarterfinals of the \$315,000 U.S. National Indoor Tennis Championships.

"I was struggling throughout the match," Connors said after winning 6-7, (4-6), 6-2, 7-6, (7-5) in three hours and two minutes. "I couldn't put two or three good points together and he played well."

"This was the best tennis I've played in my career," Shiras agreed. "I don't think Jimmy played his best. When I was serving for the match at 5-3 in the third set, though, Jimmy seemed to raise the level of his play."

"That's what I made my reputation on," said Connors. "I raise my level of play because I have pride in my performance."

set before he rallied, winning his serve and then breaking Shiras to love. He allowed Shiras two match points in the tenth game before leveling at 5-5.

In the biggest upset of the day, unheralded American Greg Holmes beat fifth-seeded American Johan Kriek 3-6, 7-6, (7-5), 6-3.

"When Kriek was up 5-6 in the second set, I hit the best backhand of my life," Holmes said. "I went on to win that game and then the tie-breaker."

In other third round matches, second-seeded American Eliot Teltscher quickly disposed of 12th-seeded Ramesh Krishnan of India 6-3, 6-1. Third seed Yannick Noah of France had a little more difficulty before defeating wild card entrant Tim Gullikson 7-6, (7-4), 3-6, 6-3.

Also advancing to the quarterfinals were sixth seed Kevin Curren of South Africa, ninth seed Stefan Edberg of Sweden, 11th seed Brad Gilbert of the U.S.

Decker to run in Japan's road relay race

TOKYO (R) — Mary Decker, remembered by millions for her collision with Zola Budd at the Los Angeles Olympics, will run in her first road relay race in Japan next month, the Japanese sponsors said Thursday.

The organising committee said Decker, 26, would join a six-woman U.S. relay team entered for the international women's Ekiden (road relay) race in Yokohama on February 24.

They said Decker, who bounced back from her Olympic clash by shattering the world indoor 2,000 metres record in Los Angeles on January 18, would team up with

Jan Merrill, Cathie Twomey, Marty Cooks and two other runners.

Twenty teams from 10 countries will compete in the 42.2 km (26 mile) marathon relay, including defending champions England and the 1983 winners, the Soviet Union, they said.

Other countries invited to send teams are Canada, China, the Netherlands, South Korea, Norway and Romania, they said. Ten other teams, including two mixed teams of foreign and Japanese runners, seven Japanese squads and an American UCLA College team will also take part, they said.

Egypt's Arab Contractors' fairy tale successes end

CAIRO (R) — After a fairy tale string of successes, deposed African Champions Arab Contractors of Egypt seem to have fallen on hard times.

The team that came from nowhere in the mid-1970s to humble Africa's mightiest failed last October to win, for the third straight year, the African Cup Winners' Cup. Compatriots National of Egypt beat them on the away-goals rule in the semi-finals.

Adding insult to injury, rival Egyptian sides have pushed Contractors down to seventh place in the Egyptian first division table. Contractors, named after a major building company, have lost five of their 13 league matches so far.

But British coach Michael Everitt believes Contractors will be back as a soccer force in Africa, saying new talent will revive past glories. "If we are going to lose with old players, we might as well lose with young players," he told Reuters.

Contractors have been in the first division less than 10 years. In 1983, the upstart side smashed the monopoly of big time clubs to add the first division title to their African Cup Winners' Cup success.

Everitt, 44, took over Contractors, among the wealthier African sides, in 1982. He had coached British first division side Leicester City and worked in Fiji, Malaysia and Kuwait.

He is philosophical about Contractors' recent setbacks. "For the league, it is too late, I have got to be honest. But there is the Egyptian Cup and that is what I want to try and channel all our energy into. If we win it, we are back in Africa," he said.

"You must remember that I took over a team with players getting old. But I did not have to change the team then, because we were in the African Cup. It is silly to change if you have got a successful team."

"My main thought was 'we must keep winning'."

He said that after the semi-final loss to national in the African Cup Winners' Cup, attempts to revamp the team with young blood met opposition in the club committee but he prevailed.

Contractors have provided Egypt with several international stars including strikers Nasser Mohammad Ali, Alaa Nabil and defender Ali Shihata.

Camerounian goalkeeper Antoine Bell and midfielder Abdel Razzak of Ghana will be among big names leaving the club at the end of this season under a new ruling by Egypt's Football Association barring non-Egyptians

from competitive soccer. "Both players have been a tremendous asset to us. We are going to miss Abdel Razzak, but not as much as Bell," Everitt, who believes Bell to be Africa's top goalkeeper, said.

Everitt, whose present two-year contract expires in July 1986, said: "Now we are playing much better football than we did two years ago. But two years ago there was that spirit that we have not quite got at the moment."

"These old players never had success. All of a sudden they could see that pot of gold at the end. And it was one last surge, let us try and get it, and they got it. They were fighting, running and trying with spirit."

He said rising Egyptian youngsters wanted to join National and arch-rivals Zamalek. Contractors often were third choice.

"My young players are not as skilful, but they will be very fit, very disciplined and very organised."

He said they include under-19s Mohammad Ahmad in midfield and right wing Mohammad Said. Abdel Razzak's departure, he said, would allow a young replacement, Alaa Hafiz, to prove himself as a "very good midfielder."

Gadusek beats Sabatini in Florida tennis

MARCO ISLAND, Florida (R) — Defending champion Bonnie Gadusek of the United States beat 14-year-old Gabriela Sabatini of Argentina 6-3, 6-4 in the third round of the \$140,000 Florida Women's Tennis Challenge Thursday.

"I thought she played very well," said Sabatini's coach and interpreter Patricia Apey. "She is a very talented young girl and she has such a great feel for the ball. My only concern for her is that she doesn't play too much or get too tired."

Gadusek attributed her success to her ability to stay patient and relax in the match.

"I've been working with Dr. Jim Loehr, a sports psychologist and he has helped me improve my game through positive thinking and visualisation. I think a year ago, I would have been really nervous to face such a young player like Sabatini," Gadusek said.

Top seeded Kathy Jordan advanced with an easy win over Catherine Tanvier of France 6-1, 6-2. Jordan's aggressive serve and volley game kept France's number two player on the defensive.

American Pam Casale beat compatriot Sharon Walsh's serve

and volley with a consistent passing attack to win 6-2, 6-4.

Lisa Bonder held her number five seed, edging past Katerina Maleeva of Bulgaria 6-1, 7-6. The 15-year-old Maleeva broke through the qualifying round and upset the 11th seed, but could not overcome the more experienced baseliner.

Peanut Louie continued her string of upsets by beating Sweden's top player Catarina Lindqvist 2-6, 6-4, 6-2. Louie won a tournament in Denver two weeks ago and pushed to impressive wins at another in Florida before falling to the eventual winner Chris Evert Lloyd.

In a marathon match lasting more than two hours, Yugoslavia's Sabrina Goleš struggled with Switzerland's Lilian Drecher, before closing out the match 6-3, 3-6, 7-5.

Paris court to decide on Tyrrell's case this month

PARIS (R) — A Paris appeals court will decide next month whether to order the permanent lifting of a ban imposed by the International Motor Sport Federation (FISA) on British Formula One motor racing team Tyrrell.

FISA banned Tyrrell from competing in the 1985 World Championship for allegedly contravening fuel rules during last June's Detroit Grand Prix. A Paris judge ordered the ban lifted temporarily last month.

Tyrrell, which denies the allegations, asked for the ban to be lifted while the case was being decided, because lawyers said the team stood to lose almost two million sterling in subsidies and sponsorship.

Court sources said Thursday the Paris appeals court would rule on the ban by February 20th at the latest.

The actual case of whether or not Tyrrell broke FISA rules will take several months to decide, they said.

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S. Arabia reasserts grip on OPEC, leads price cuts

GENEVA (Agencies) — Saudi Arabia has reasserted its authority within OPEC, forcing the oil group to face market realities by cutting prices at the cost of an outward show of unity.

It was only the second time, in the 25-year history of the Organisation of Petroleum Exporting Countries (OPEC), that a price reduction had been decided.

But Wednesday's move, supported by nine member states and opposed by three, with one abstention, exposed deep rifts between pragmatists and a core of hardliners which apparently have yet to adapt to the end of the oil boom, and believe they still have power to dictate world oil prices.

The cut, by a modest 29 cents a barrel in OPEC's average weighted price, fell far short of the dramatic \$5 price slash agreed in March 1983, after oil markets started tumbling.

But the cost has been heavy for a once-proud cartel which places high priority on projecting a united front.

"The Saudis, after much patience, have flexed their muscle to ensure OPEC's survival, even at the cost of a denied public image," a Western diplomat observing the talks said.

The general price cut stemmed from steps to narrow the gap between OPEC's official prices laid down for high-quality, light crudes and the cheaper, heavier grades which have enjoyed a sales advantage following changes in demand and improvements in refining techniques.

The price scale led to a crisis for OPEC last October when Nigeria, reacting to undercutting by North Sea producers trying to keep customers while free markets crumbled, broke with OPEC and unilaterally sliced prices.

To prevent a free-for-all price war, OPEC members battled through a series of emergency talks to map out a strategy aimed at protecting average prices while Britain and Norway floated ideas to link their North Sea prices to weak free markets.

After endless haggling, Saudi Arabia, marshalling the support of its Gulf colleagues and other OPEC moderates, has driven a hard bargain to reach the target, demanding major cuts in light crude prices rather than hiking heavy grades.

Crude oil traders describe the accord, opposed by pricehawks Iran, Algeria and Libya, as perhaps the most credible action taken by OPEC since its 1983 cuts.

"Real issues have overcome public relations and image," one remarked.

The dissension seems less important than the success of the formula in bringing back Nigeria into the OPEC fold, persuading it to raise prices to the last known British official levels.

Whereas the Nigerian undercutting undermined OPEC's pricing structure, the stubborn bid by the three dissenters to charge more than the markets would bear was viewed as having harmed only themselves.

"Gulf members set tough terms, kept to them, and have left the dissenters at the mercy of the

markets. It shouldn't be long before they have to lower prices," said one trader.

Although oil analysts and markets interpreted the accord as a positive attempt by leading OPEC states to face new market challenges, anxiety persists over whether Nigeria will last the course.

Rumours have begun to circulate that Nigeria's return to the OPEC price system is conditional, and depends on the North Sea producers holding that line and dropping ideas to relate its charges to free markets.

"In that sense, the agreement is fragile. Another Nigerian breakaway to match any British price cuts could scuttle it," one OPEC delegate said.

Deal boosts spot market prices but doubt lingers

Reacting to the accord, North Sea oil prices firmed on the European spot market Thursday with buyers apparently ignoring doubts in the oil industry that it will restore long-term stability.

An early buying spree pushed the price of Britain's Brent grade crude oil up 40 U.S. cents to \$26.75 per barrel for delivery in March compared with Wednesday's closing level — but this was still \$1.90 below the last official price.

Although the deal was viewed positively in the Gulf and some financial markets, traders said the refusal of OPEC hardliners to cut their official prices to bring them more in line with free-market levels was unsettling.

A London broker told Reuters in commenting on the rise in Rotterdam prices: "I don't see what difference this agreement makes. They (the buyers) must be naive."

Official moves by OPEC observer countries Mexico and Egypt reacting to the deal were not expected until the weekend.

In Vienna the official OPECNA news agency Thursday quoted Nigerian Oil Minister Tam David-West as saying that the new price for Nigerian Bonny light of \$28.65 a barrel was a warning to Britain not to destabilise the market.

The state-owned British National Oil Corporation (BNOC), which markets half of the country's North Sea oil, has not announced official prices since they lapsed at the end of 1984. The last official price for Brent crude was \$28.65.

"OPEC has now pitched the Nigerian Bonny light against North Sea Brent as a warning that the oil market should not be destabilised," the Nigerian minister was quoted as saying.

He said it would be in Britain's interests to cooperate, the agency added.

Britain has been under intense pressure from OPEC, in particular Saudi Arabia, not to destabilise the oil market by switching to free-market pricing.

The country's leading financial

newspaper, the Financial Times, said Thursday that opinion in the oil market was that BNOC should leave its price unchanged at \$28.65 a barrel, in line with the increased price of Nigeria's Bonny light.

Industry sources told Reuters that in the wake of this month's sterling crisis, which was aggravated by fears of lower oil prices, the government had issued instructions to BNOC not to rock the boat. Sterling has shown a firmer tone since the OPEC agreement, which was better than some analysts had feared.

In Rotterdam traders said the Soviet Union, a significant supplier of crude to West Europe, was unlikely to cut its price.

Traders' reactions in all major centres focused on OPEC output and the monitoring proposed to ensure members do not cheat by exceeding their production quotas.

One industry observer in Bahrain said: "Now they have the price question solved, they must concentrate on keeping their production quotas." These now total 16 million barrels a day.

But in New York analysts said OPEC's strategy aimed at boosting prices through controls on production was based on an incomplete understanding of structural changes in oil markets.

Traders in Tokyo pinpointed Iran, a major supplier of crude to Japan, as another unsettling influence on the free market.

Iran still needs oil revenue to finance its war against Iraq. It will have to keep selling crude oil at discounted prices to make up for the dangers to tankers sailing the Gulf, they said.

The start of the OPEC meeting this week was interrupted with a walkout by United Arab Emirates Oil Minister Mansour bin Zayed al Nahyan, who accused Nigeria of threatening OPEC by exceeding its output ceiling. By the end of the meeting there was hardly a mention of that issue after Nigeria, was brought back into the fold and persuaded to raise its prices.

Britain to watch market before taking decision

Meanwhile, OPEC's new agreement on prices has been welcomed by Britain as going some way towards calming a jittery market.

But sources in London told OPECNA: "Don't expect an early decision on official British crude price levels."

A spokesman for BNOC indicated that the U.K. would wait to see how the market reacted to the OPEC accord before making any further move.

The spokesman stated: "We are obviously studying the OPEC communiqué and we will review our position, but I don't think anything very startling on precipitate will be announced immediately. We will have to see what effect this has on the market."

The BNOC spokesman said the corporation had "no specific deadline" to settle on a price. "We can go on as we are, but obviously it is a pretty unsatisfactory position as far as our clients are concerned," he conceded.

He said because of the "turmoil" in the market, BNOC suppliers had been promised a new price for January later in the new year, "but because the OPEC meetings in December were still not conclusive, we have rather

Analyst weighs effects on Jordan

AMMAN — Though members of OPEC (the Organisation of Petroleum Exporting Countries) have failed to reach consensus on oil prices, the only concrete result that emerged is an official cut in Saudi light crude from \$29 to \$28 per barrel.

Jordan, which imports more than 85 per cent of its oil from Saudi Arabia (the rest comes from Iraq), may feel that this development is bound to cut its oil bill by nearly 3.4 per cent. But the rising value of the U.S. dollar, now worth almost 410 fils, makes this cut in the bill in form only and not in practice, because the Jordanian treasury's subsidy for oil imports is calculated in dollars and not in Jordanian currency, Mr. Fahed Faneek wrote Thursday.

He said that the cost of buying a barrel of oil at \$28 now is practically more costly than purchasing it at \$29 on March 31, 1984 when the index price came into effect.

Jordan pays for part of its oil purchases through financial credits from Islamic banks. In addition the cost of transporting the crude through Tappan at the rate of \$1.3 a barrel, brings to \$25 million the total annual cost of transporting the oil to Jordan from Saudi Arabia.

Observers say that the result of the Geneva meeting may bring about a "price war" between OPEC member nations on the one hand and the North Sea oil producers on the other, in addition to a dispute between OPEC members themselves which could lead to a further reduction of oil prices.

Such war if it really starts could adversely affect Arab oil countries because other oil producing nations which had been selling oil at reduced rates had actually seized most of the world markets. Therefore, if Saudi Arabia and its sister Arab states launch a successful oil price war they could bring the prices down to \$25 or even \$20 a barrel and this will undoubtedly increase the Arab countries' share in oil markets and so increase their overall revenues.

Jordan is practically facing a dilemma because any decrease in oil prices is bound to help it cut its bill of imported crude oil in as much as a drop in oil prices is harmful because it would eventually reduce Arab countries' financial assistance to Jordan.

A reduced oil price coupled with a successful Arab oil price war that would ensure control by the Arabs of the world oil markets, remains the most ideal solution, Mr. Faneek concluded.

played a waiting game."

The spokesman added: "Whether we shall get discipline back in the market as a result of this new accord, only time will tell. But we have a new situation, and at least the meeting didn't fulfil some of the worst fears and break up in total disarray."

"Obviously, if OPEC adheres to its 16 million b/d production ceiling, and if stock drawdowns are accelerating at the rates that have been claimed, there must come a time when there will be a squeeze on supply," he concluded.

Soeharto says decisions were best to stem fall

In Jakarta Indonesian President Soeharto said Thursday that the decisions made were the best in the face of the present world oil market situation where prices were showing a continuous downward trend.

The president said the OPEC decision was necessary to prevent oil prices from dropping. As of Feb. 1, Indonesia will cut the price of its Minas crude to \$28.53 per barrel, which will result in a loss of revenue of about \$325 million this year representing 1.7 per cent of the total domestic earnings estimated for the 1985-86 fiscal year, which begins on April 1.

In terms of foreign exchange earnings, the cut in the Minas crude price would mean a loss of about \$300 million this year, or about 1.4 per cent of the total foreign exchange revenues.

Iraq describes move as significant

In Baghdad Iraqi Oil Minister Qasim Taki Al Oraibi has described the OPEC conference as a "significant step towards bringing stability to the world oil markets."

He said the Geneva decisions were "resolute and final" and ruled out an emergency meeting of the oil ministers, unless "new developments" in the oil market took place.

"The new decisions will remain effective until OPEC's forthcoming ordinary conference scheduled for July 22 in Geneva," he added.

The minister did not rule out OPEC undergoing "further pressures in the near future," aimed at forcing it to make new cutbacks in oil prices.

"We have to be cautious enough to defend our interests and make no more concessions under the justification of a weakening oil market," he stated.

He said prevailing conditions in the world oil market would make it "inevitable" for member countries, which objected to the Geneva decisions, to comply with them.

Mr. Al Oraibi said at the Geneva meeting that Iraq had tried to bring about a unanimous decision on posted prices, but there was no possibility of adopting a unanimous stand.

Algeria ready to accept compromise

In Geneva, the Algerian oil

minister said that Algeria is ready to accept a compromise on differentials provided it is "not far from its position".

Mr. Belkacem Nabi explained that the Algerian position had been based mainly on a study carried out by his country which showed that the maximum difference between the heaviest and the lightest crudes should be \$1.50.

He added that Algeria was not ready to accept an option which penalised the Algerian people.

The minister pointed out that Algeria had made sacrifices during the past two years for the sake of OPEC unity.

He suggested that all OPEC member countries should hold a fresh dialogue to consider "the common and not individual interests", and find a solution acceptable to all.

Oteiba says prices will stabilise in few weeks

In Abu Dhabi Dr. Oteiba said Thursday night the oil market should stabilise in the next few weeks.

"I hope that the results of the new accord will be seen soon, within the next few weeks, and the market will start to stabilise," he told Reuters on return from Geneva.

Dr. Oteiba said the UAE would start implementing the new prices from Feb. 1 as stipulated in the agreement, under which the UAE's main oil, Murban, would be brought down to \$28.15 per barrel from \$29.30. He said the price of other UAE oil grades would be decided according to the Murban price.

Kuwait forecasts dramatic improvement

The Kuwaiti oil minister said that OPEC deliberations have been "extremely successful" in narrowing the price gap between the heavy and light grades of crude oil.

He forecast a "dramatic" improvement in the world oil market by the end of February.

He said the proposals adopted at the meeting would lead to a new oil pricing structure "truly reflecting current and future market positions".

Sheikh Ali Khalifa Al Sabah expressed regret that the pricing decisions reached were not unanimous, but pointed out that the differences of opinion by some ministers were narrow "and we hope to overcome them soon".

Sheikh Al Sabah stressed: "We will try within weeks to bridge the gap and produce a realistic market formula."

He said: "It is the volume of traded oil that is going to affect the market most. I am heartened by the fact that even the market thinks positively of the agreement, from the first indications we have."

"I am convinced more than at any time in the past that the market, if we sustain production, will improve dramatically towards the second half of February," he concluded.

LONDON STOCK MARKET

LONDON (R) — Equities closed easier as hopes faded of an imminent cut in U.K. clearing bank base rates, dealers said.

The F.T. 30 index at 1500 GMT was down 6.2 at 979.9 and the FTSE 100 share index at 1530 GMT was 6.9 lower at 1275.9.

Among leading issues ICI eased 5p to 839. BOC group shaded 3p at 285 while moving against the trend GKN attracted buying interest adding 6p to 204. P and O eased 10p to 393 despite estimating higher 1984 pre-tax profits.

Government bonds eased up to ½ point while gold shares and North Americans were mixed.

Discount houses were firmer on hopes for an eventual cut in clearing bank base rates, with Union Discount 25p higher at 748. Banks showed gains ranging to 10p as in Midland at 349 but Bank of Scotland declined 10p to 459 on profit-taking.

Insurances were little changed from their overnight levels while in insurance brokers Minet Holding firmed 11p to 262 ahead of results.

Oils were fairly active after initial U.S. demand with Shell up 2p at 745, having touched 750 and BP 3p easier at 528 after 533.

LONDON EXCHANGE RATES

LONDON (R) — Following are the buying and selling rates for leading world currencies and gold against the dollar at midday on the London foreign exchange and bullion markets Friday.

One sterling	1.1275/85	U.S. dollars
One U.S. dollar	1.3264/67	Canadian dollars
	3.1715/25	West German marks
	3.5855/70	Dutch guilders
	2.6903/13	Swiss francs
	63.50/54	Belgian francs
	9.6475/7025	Italian lire
	1955.0/6.5	Japanese yen
	256.20/30	Swedish crowns
	9.0475/0575	Norwegian crowns
	9.1750/1850	Danish crowns
One ounce of gold	11.3150/3250	U.S. dollars
	303.60/304.10	

FORECAST FOR SATURDAY, FEB. 2, 1985

YOUR DAILY Horoscope

from the Carroll Righter Institute

GENERAL TENDENCIES: A day when all sorts of dramatic and unexpected conditions can occur where your relations with other persons are concerned. Honor your standpoints as you do your own.

ARIES (Mar. 21 to Apr. 19) You may have to take an unexpected little trip during the day, so be ready. In the evening get together with friends.

TAURUS (Apr. 20 to May 20) Concentrating on practical affairs and improving them is wise today, even if you have to make some changes.

GEMINI (May 21 to June 21) A fine day for making some radical changes with an associate and gain greater success in the future. Don't lose your temper.

MOON CHILDREN (June 22 to Jul. 21) You find the right way to get some obligation nicely settled without causing any trouble. Be more romantic.

LEO (Jul. 22 to Aug. 21) There can suddenly be changes where friends are concerned, but take this in your stride. Avoid over-spending.

VIRGO (Aug. 22 to Sept. 22) Be tactful with any who have power over your affairs and avoid trouble and loss thereby. Enjoy outside hobbies tonight.

LIBRA (Sept. 23 to Oct. 22) Study new ideas carefully, since one in particular could bring about worthwhile changes in your life.

SCORPIO (Oct. 23 to Nov. 21) A good day to make new arrangements with a person in business and get good results. Use good logic.

SAGITTARIUS (Nov. 22 to Dec. 21) You are anxious to start something new of a constructive nature, so get right to it. Don't neglect Saturday shopping.

CAPRICORN (Dec. 22 to Jan. 20) Study into new angles that can make you more efficient at your regular job and impress higher-ups next week.

AQUARIUS (Jan. 21 to Feb. 19) Get into recreations that you like and put more pep and zip to them. Have a more loving attitude toward your mate.

PISCES (Feb. 20 to Mar. 20) Do nothing at home that could cause friction or there will be big trouble. Keep busy getting your home in shape.

IF YOUR CHILD IS BORN TODAY... he or she will view matters in a very logical way and can be counted upon when any emergencies arise, and will act speedily and precisely. One who can coordinate well both the mind and the body, so sports are fine here.

THE Daily Crossword by Martha J. De Witt

ACROSS

- Crib item
- Evil
- Calo, ski
- trator
- Busy as —
- Al
- Sleaz —
- Put off
- Saw loosely
- Hunting dogs
- Confounded
- Ballad
- Protected side
- Sale
- Candle
- Herbert's "The —"
- Footless
- Dog doc
- Palm trees
- Fleur-de —
- Uses logic
- Malt beverage
- Wood-turning tools
- Cal. fort
- Translation of a sort
- Molasses' partner
- Jason's lady
- Rainbows
- Consume
- Com unit
- Redcaps
- Fruit
- "I walked — with sorrow"
- In a hurry
- Old
- Director Kazan
- Virginia willow
- Ingress
- Pine board
- Brilliant salamander
- Can. prov.
- Pugil Sound port
- Piece of mail
- Register
- Lacks
- Send back to a lower court
- Chivalges
- High
- Samson port
- Letter addition
- US agency
- US agency
- Evening star
- Century plant
- Botanical
- bristle
- Kremer's abbr.
- Big name in hockey
- Fraud of sorts
- Kind of holiday
- Outward
- Eldritch
- door festener
- Sch. subj.
- Quickly
- Kind of holiday
- Outward
- Eldritch
- 58 Throne
- 53 Global area
- 54 Principally
- 55 Fret
- 56 Throne
- 58 Huzzah

Yesterday's Puzzle Solved:

QUIRRE HAZIR HUSH
IMLAY ELIA ORCE
STORM RIND TROY
HOYBLOODED SIRE
EDDA LIPPED
REGITE DREAR
MACHINE EDOSSIO
GUOD ALIA GIDE
TEMPE BASSET
ONEWAY AWLS
VIVA REDHOTMAMA
EXIT TREE RIGOR
BETIE LIRA ACUTE
TISAR EASY LOISIR

DOWN

- Stall and dance
- Woodwind
- Reminder
- Irked
- Use
- Barbarians
- Person
- Married
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- 45 Attached a
- door festener
- Sch. subj.
- 9 Can. prov.
- Pugil Sound port
- Piece of mail
- Register
- Lacks
- Send back to a lower court
- Chivalges
- High
- Samson port
- Letter addition
- US agency
- US agency
- Evening star
- Century plant
- Botanical
- bristle
- Kremer's abbr.
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Australia says U.S. can monitor MX missile tests from Sydney

CANBERRA (R) — Australia's Labour government said Friday it had agreed to allow the United States to use the country as a base for aircraft monitoring MX intercontinental missile tests.

But the Canberra government was firmly opposed to the testing of nuclear devices or nuclear delivery system on or over Australian territory, Defence Minister Kim Beazley said in a statement.

He was reacting to newspaper reports that Prime Minister Bob Hawke had agreed to an American request to use Sydney as a base for a new generation of MX missiles.

Mr. Beazley said there was no question of the testing of a nuclear device or of there being dangers arising from the use of nuclear

material. He said the missiles would be unarmed and their flight path had been chosen by the U.S. to achieve its objective of testing the missiles at extended range but without crossing inhabited territory.

The government would be opposed to the use of the South Pacific for regular ballistic missile testing, Mr. Beazley said.

Labour sources said that despite Mr. Beazley's assurances, an Australian role in the MX programme is certain to enrage the party's left wing which Thursday released a

detailed draft treaty it proposes for a nuclear-free South Pacific.

The left's call for a ban on any nuclear weapons or material in the region, is in contrast to a Hawke proposal leaving decisions on nuclear vessel to individual countries.

The United States has been using the Marshall Islands in the Pacific as a monitoring base for MX tests.

Australia is allied to the United States under the ANZUS defence treaty. It is also host to three monitoring bases important to the U.S. nuclear deterrent under a separate pact.

Mr. Hawke has already been embarrassed by his left wing over New Zealand's policy of banning visits by U.S. nuclear-armed and nuclear-powered ships under the

tripartite ANZUS alliance. More than 20 left-wing parliamentarians Thursday signed a message of support for New Zealand Prime Minister David Lange's stand.

Australia allows port calls by nuclear ships. The Hawke government is promoting through the South Pacific forum a nuclear-free zone in the region which would allow the passage of nuclear ships.

The new draft treaty put up by the Labour left wing countries the government as it wants a complete ban on nuclear ships.

Mr. Hawke will meet President Reagan in Washington next week for what are expected to be crucial talks on the future of the ANZUS alliance in the light of New Zealand's position.



Konstantin Chernenko

Chernenko intensifies attack on Star Wars

WASHINGTON (R) — Soviet President Konstantin Chernenko has again attacked President Reagan's "Star Wars" defence system but also said the stage is set for fruitful arms talks due to open next month in Geneva.

Mr. Chernenko, in a written response to questions from the Cable News Network (CNN), reiterated Moscow's frequent charge that Star Wars — officially known as the Strategic Defence Initiative (SDI) — would lead to an arms race in space.

"The militarisation of outer space would not mean... the end of the process of nuclear arms limitation and reduction but would become a catalyst of an uncontrolled arms race in all directions," Mr. Chernenko said.

A U.S. official, who declined to be identified, said the Soviet leader's comments "reflect continuing Soviet efforts to distort the true purposes" of the SDI programme to develop a space-based missile defence system.

Despite his tough comments on Star Wars, Mr. Chernenko held out hope that U.S.-Soviet differences, while not small, were "surmountable".

But he accused the Reagan administration of mounting a publicity campaign to prepare the American public for years of fruitless negotiations.

"What is required is goodwill on the other side, willingness for reasonable compromises and strict observance of the principle of equality and equal security," he said.

Meanwhile a Soviet Foreign Ministry spokesman said Friday that Mr. Chernenko, who has not

is taking a winter holiday near Moscow. He told Reuters he was unable

to attend the Communist Party congress which had been seriously ill. "The general secretary is on winter holiday not far from Moscow," he said.

Mr. Chernenko's illness is on vacation marks a shift in the official handling of the president's disappearance from the public eye.

In past weeks, spokesmen had been declining comment, while Kremlin officials privately told Western officials that Mr. Chernenko had cancelled his engagements through illness.

Report assails Guatemala's human rights record

LONDON (R) — Britain was advised in a parliamentary report Friday not to restore diplomatic relations with Guatemala, described as a "nation of widows and orphans" because of its human rights record.

Labour politician Tony Lloyd and Liberal peer Lord Avebury, who visited Guatemala last year, said that in three decades of military rule, over 100,000 people had been killed and 38,000 had disappeared.

"There has been no significant improvement in the human rights situation — if anything, it has worsened since 1983," their report said. Yet (head of state) General

Deng Xiaoping. But Western diplomats who study internal Chinese politics said the article was a key summary of the ideological base behind Mr. Deng's practical policies which since 1979 have radically restructured and added to the orthodox Marxist canon.

"Modernisation is the basic goal of China," Red Flag said. On Thursday in an abridged English translation ahead of publication Friday, the New China News Agency highlighted the article's criticisms of Mao and Marx.

But the full Chinese text made clear that the Communist Party's message was that the pair provided the basis of theory which people must apply in light of modern conditions.

The danger was that people would pick up a theoretical slogan and apply it blindly, but it was also

wrong to reject ideology and concentrate only on practical results, the article said. "We must never forget the influence of Mao's slogan 'take class struggle as the guiding principle'," it said. During the radical leftist 1966-76 Cultural Revolution Mao's fanatical supporters, armed with the slogan, persecuted millions.

Red Flag said officials and students should read more Marx because his basic principles were correct. But it added: "Marxism is a science and a science always keeps developing."

Leading Chinese ideologist Yu Guangyuan said late last year that Marx was good at revolution but not so good at Socialist reconstruction. Red Flag also attacked one of Mao's basic theories for the same reason. Mao's idea of "destruction first

Vietnamese begin drive to crush Khmer Rouge

BANGKOK (R) — The Vietnamese army has begun its most ambitious campaign to crush Khmer Rouge guerrilla strongholds near Thailand since it moved into Kampuchea six years ago, diplomats said Friday.

Vietnam has assembled its biggest force ever in western Battambang province, equal to about four divisions of infantry, tanks, artillery and support units, according to the Thai military.

But one Western diplomat told Reuters: "Any estimate of the number of Vietnamese men involved would be a pure guess right now."

Diplomats said more soldiers and fiercer daily clashes since last weekend signalled the start of the drive.

Thai Army Secretary Narendol Dechpradit said the Khmer Rouge were attacking Vietnamese troops, tanks and artillery positions and had stepped up sabotage of roads and communications since Monday.

But Mr. Narendol said that since Jan. 25 the Vietnamese had also stepped up raids. Using tanks

as mobile gun platforms as well as artillery and heavy mortars they had shelled Khmer Rouge positions heavily.

Thailand said Friday U.N. Secretary General Javier Perez de Cuellar failed to make a breakthrough in the Kampuchean stalemate during talks with Vietnamese leaders.

Thai Foreign Ministry spokesman Sawanit Kongsiri said Mr. Perez de Cuellar's Jan. 28 to 30 visit to Hanoi had not altered Hanoi's "stubbornness" in the six-year-old conflict.

"We see nothing new of importance that would lead to progress in solving the Kampuchean problem," Mr. Sawanit told a press conference.

Mr. Perez de Cuellar said when he returned here on Wednesday that he felt he had made modest progress in the search for peace in Kampuchea.

"Vietnam's military policy (in Kampuchea) has all along contradicted what it touts as diplomatic proposals," Mr. Sawanit said.

W. Europe agrees on future space projects

ROME (R) — Eleven Western European countries have agreed on a far-reaching space programme that they hope will put them in the forefront of space technology and exploration for the 21st Century.

Dutch Minister of Economic Affairs Gijs Van Aardenne, who chaired a two-day strategy meeting of the European Space Agency (ESA), said delegates had agreed on a balanced, long-term European space programme for the next decade that would lead to a comprehensive European autonomy in space.

He said the plans included the Columbus orbiting space station project with the United States, improvements to the Ariane rocket launcher, and further studies on a French proposal for a reusable shuttle called Hermes, which could be used as a link in a wholly European space station.

Mr. Van Aardenne said the plans were part of a "roadmap" forwarded by ESA Director-General Reimar Lust and adopted

unanimously by member nations. Belgium, Britain, France, Denmark, West Germany, Ireland, Italy, the Netherlands, Spain, Sweden and Switzerland.

He said the resolution committed Europe to expand its activity in the less glamorous but extremely profitable business of putting satellites in space.

Thursday's decisions open the way for a European reply to President Reagan's invitation to participate in the Columbus orbiting space station project, to be launched with the United States in 1992 at a cost to Europe of \$2.4 billion.

France, Britain, West Germany and Italy are already committed to the project, which is seen as an optional part of ESA's programme, with Britain saying it hopes to take the lead in building platforms for the station.

The Ariane programme, centring on the HM60 cryogenic motor which will enable the launcher to place payloads in orbit, will be funded mainly by France.

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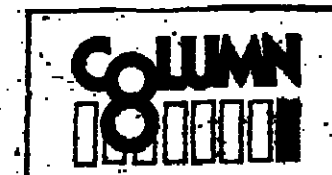
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Farrah Fawcett has a son

LOS ANGELES (R) — American Actress Farrah Fawcett, who will be 38 on Saturday, gave birth to a son, a press spokeswoman said. It was the first child for Fawcett, who starred in the television series "Charlie's Angels." She said recently she had no immediate plans to marry actor Ryan O'Neal, father of the child, who attended the birth. Fawcett's marriage to actor Lee Majors ended in divorce in February, 1982.

Police chief's home robbed

DURHAM, England (R) — Thieves broke into a police chief's home only weeks after he had reported crime in his area had reached record levels. Durham county police said the home of their chief constable, Eldred Boothby, had been broken into and £500 (\$860) worth of jewellery and personal items stolen. Earlier this month Boothby reported that crime in his north east England county reached record levels in 1984, while the detection rate dropped by more than four per cent.

Miss France stripped of title

PARIS (R) — Miss France has been stripped of her title for allowing a French soft-porn magazine to print nude photographs of her, the beauty contest's organisers have said. A spokesman for Stars Productions said 18-year-old Isabelle Chaudieu had broken International Beauty Pageant rules and would be replaced by her runner-up, Carole Tredelle.

Nude photos of the beauty queen, crowned only five weeks ago in Paris, are printed in Lui magazine, published Thursday. It is the first time a beauty queen has been dethroned in France, the spokesman said. The row comes only months after Vanessa Williams, the first black Miss America, lost her title for appearing in a magazine in lesbian poses.

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Ver pleads not guilty in Aquino murder case

MANILA (R) — Military Chief Gen. Fabian Ver, 24 other soldiers and a businessman pleaded not guilty to involvement in the killing of opposition leader Benigno Aquino, setting the stage for the most sensational murder trial in Philippines history.

Gen. Ver, kinsman and confidant of President Ferdinand Marcos, stood to attention in the crowded courtroom and declared "not guilty" after a court clerk read his name and said: "You are hereby charged as an accessory."

Two bemuddled generals, two colonels, 20 soldiers and a businessman also pleaded not guilty.

All 26 also pleaded not guilty to charges in connection with the murder of Rolando Galman, the

man accused by the military as Sen. Aquino's killer in August, 1983.

Sen. Aquino, Marcos's most serious potential rival for the presidency, was shot at Manila Airport as he returned from voluntary exile in the United States. Mr. Galman was gunned down moments later.

Cardinal Jaime Sin, Archbishop of Manila and a persistent critic of the government, said Friday "the eyes of the world" would be focussed on the trial but he was sure it would be fair and that justice would be done.

Judge Manuel Pamaran said the hearing would be held daily after procedures were fixed on Feb. 7.

U.K. jobless rate hits new record

LONDON (R) — The British government, already suffering a crisis over sterling and soaring interest rates, received another economic blow Thursday as unemployment hit a record 3,341,000.

The number of jobless jumped by 121,550 to 13.9 per cent of the labour force — almost one in seven of all British workers.

The Labour Party denounced the figures as catastrophic.

The jobless total is nearly two million more than when Labour was voted out of office in May 1979 — ironically on Mrs. Thatcher's slogan "labour isn't working."

French police raid ETA nerve centre

BAYONNE, France (R) — French police have said they had uncovered the main base in France of ETA, the outlawed Spanish Basque separatist guerrilla group. It was described as ETA's nerve centre and contained a large amount of arms and explosives, false papers, intelligence information on French installations in Spain and a list of high-ranking Spaniards.

Eight people were arrested including Juan Lorenzo Lasa Mikelen, 29, named by Spanish police as deputy leader of ETA.

An international arrest warrant was issued by Interpol at Spain's request in 1983 for Mikelen.

Spanish police said the ETA leader, known by the Basque spelling of his name as Mikelen, was wanted in connection with guerrilla attacks in which at least 14 people had died.

A French spokesman said police raided the ETA centre, a villa in the village of Anglet, near this south eastern French town, and uncovered an arms cache which included a grenade making machine, explosives, 3,000 metres of fuse, five carbines, four pistols, and a Soviet RPG-7 rocket-propelled grenade.

Police sources said the swoop followed a high level meeting in Paris on Tuesday involving Interior Minister Pierre Joxe, Defence Minister Charles Hernu and Prime Minister Laurent Fabius.

French External Relations Minister Roland Dumas met Spain's Foreign Affairs Minister Fernando Moran in Bordeaux last week and diplomatic sources said the thorny question of ETA members living in France was probably discussed.

The issue has long been a contentious one between the two neighbours, with Spain exasperated by French policy of granting political refugee status to Spanish Basques considered ETA sympathisers by Madrid.

Diplomats said the latest move by French police tended to confirm Spain's charge that ETA guerrillas operated with impunity from French territory.

They also said it appeared France had at last agreed to take a tougher line.

S. Korean opposition not expected to be jailed

SEOUL (R) — Opposition leader Kim Dae-Jung is not expected to be jailed again, South Korean officials said Friday.

They said President Chun Doo-hwan was due to visit Washington for talks with President Reagan in April and the meeting would be difficult if Mr. Kim were treated harshly.

Mr. Kim, 59, is due to return on Feb. 8 accompanied by 20 Americans including three congressmen who want to ensure his safety.

The diplomats said Seoul was aware that to put Mr. Kim in prison again would have an adverse effect on South Korea's relations with the West, especially the United States.

Mr. Chun was the first foreign head of state to visit Mr. Reagan after the president took office in 1981.

That trip followed the government's decision to commute a death sentence on Mr. Kim to life and then 20 years' imprisonment. Mr. Kim was allowed to go to the United States for medical treatment in 1982 after serving 2½ years of his sentence.

The government has reminded Mr. Kim several times that he is legally obliged to serve the remainder of his jail sentence if he returns but has stopped short of saying it would enforce the law.

No magic remedies in Mao, Marx, Chinese report says

PEKING (R) — China's leading ideological journal Friday told Chinese to stop seeking a magic remedy in the works of Mao and Marx and look instead at present realities.

The pair were beacons of Socialism but Mao Tsetung sometimes got it wrong and Karl Marx did not have all the answers, Red Flag said in a weighty article on China's current political course.

The item was frontpaged in Friday's national newspapers. "Our principle is that we must integrate theory with practice. In recent years, we have sometimes stressed